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ABSTRACT

The Latvian economy has undergone major changes during transition to a market economy after regaining independence in 1991. The unfavorable world economic situation has caused its growth to fall below potential. The vocational education and training (VET) system has traditionally been school-based. There are 120 VET institutions with a large network of institutions in all but one district. VET reform is aimed at a self-adapting system that corresponds to labor market needs and ensures opportunities for individuals to acquire knowledge and skills according to lifelong needs and interests. Changes in the existing system would include reform of institutions, institutional network, VET program, VET quality assurance, teacher continuing education, and financing; curriculum development; college education; and comparability and transparency of VET. Financing of VET is based on the curriculum, number of students, and language groups. Educational institutions are financed from state and municipal budgets, tuition paid by individuals or enterprises, and international foundations and programs. Most funding for development comes from international assistance projects. (Appendixes include a glossary; list of 23 major organizations; 15-item bibliography; list of 13 in-depth studies; and three charts illustrating new VET enrollees, enrollment of 14-19 year-Olds, and graduates, dropouts, and enrollees at the upper secondary level.) (YLB)

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ED 445 230

Report on the vocational education and training system

NATIONAL OBSERVATORY COUNTRY REPORT

Czech Republic
1999

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Modernisation of Vocational Education and Training in Latvia

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Preface

This report on vocational education and training has been compiled to provide the European Training Foundation and the European Commission with information on the real situation of vocational education and the labour market in Latvia. It also contains information on development trends in this area as well as some general information on the socio-economic situation.

The report follows the conceptual framework for the preparation of reports proposed by the European Training Foundation Observatory staff.

The main sources of information were the Statistics Reports of the Central Bureau of Statistics, the statistical data of the Education Information Centre and the data of Unemployment Department of the Ministry of Welfare.

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Executive summary

A modern vocational education system should provide the opportunity to acquire knowledge and skills throughout one's working life, thus ensuring that vocational training matches labour market needs and the abilities and interests of the individual. There should be wider access to vocational education and training for both young people and adults, while, at the same time, a good balance between theoretical knowledge and practical skills in the chosen profession should be provided.

At the beginning of the 1998/99 school year, there were 120 vocational education institutions in Latvia, distributed across all districts with the single exception of Balvi. Thirty seven per cent of the total were located in Riga. The state was responsible for 93% of vocational education and training schools, 3% were under the control of the municipal authorities and 4% were private. Of the state-controlled institutions, the Ministry of Education and Science is responsible for 48% of the total, the Ministry of Agriculture for 34%, the Ministry of Culture for 13% and the Ministry of Welfare for 5%. There were 22,855 applicants for admission to vocational education institutions, of which 79.5% were enrolled.

The number of participants in continuing vocational training programmes is growing every year and, in 1998, represented over 19% of the economically active population. The number of unemployed persons who receive training is also constantly on the increase.

Research and analysis of data and trends in vocational education and training indicates that the weak points of the system are the following:

- fragmentation of vocational education and training provision;
- lack of coordination between different departments and branches;
- problems with practical placements of students;
- no career guidance policy; and
- lack of access to training for low-income and socially-disadvantaged groups and for people from rural areas.
- Overall, the development of largely autonomous networks of vocational education and training providers for different types of vocational education and training, such as the network of adult education centres, the network of schools offering initial vocational education and training, the network of affiliates of the State Employment Services etc., poses major problems for the effective coordination of vocational education and training in general.

Vocational education and training reform is aimed at creating a self-adapting system that would fit labour market needs and would ensure lifelong access for individuals to knowledge and skills according to their needs and interests.

The following steps should be taken if this objective is to be achieved.

- A common conceptual framework should be created at state level for the formulation and implementation of reform policies. At present, the Law on Vocational Education has been adopted by Parliament and work is under way on drawing up new implementing legislation and standards.

- An active and autonomous system of cooperation should be created between participants in the vocational education system and the labour market, based on tripartite cooperation among educators, employers' sectoral committees and representatives of the employees' interests. The Tripartite Council of Professional Education commenced operation in 1999.
- An effective and flexible system of vocational education and training management should be created, which would have a leading role in achieving the goals of vocational education and of labour force training.

The strategic programme of vocational education and training reform sets out the following goals which must be achieved if a workforce with qualifications corresponding to labour market needs is to be created:

- reform of the vocational education and training institutional network;
- reform of curriculum content;
- improvement of management and administration;
- development of an effective system of teacher training; and
- establishment of a sound funding model for vocational education and training.

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1. Political, social and economic development background information

1.1 *Economic development*

The Latvian economy has undergone major changes during the gradual transition to a market economy following the regaining of independence in 1991. The unfavourable world economic situation has had an impact on the rate of development of the Latvian economy and, in 1997-98 in particular, external factors caused growth to fall below potential. Previous reforms had strengthened the foundations of the market economy and created stable macroeconomic conditions which boosted investor confidence. The evolution of gross domestic product reflects a similar pattern. In 1997, almost all basic sectors of the economy grew and, during the first half of 1998, growth in gross domestic product amounted to 6.4%. From the third quarter, however, the growth rate declined due to the financial crisis in Russia and overall growth for the year amounted to LVL 3,773.5 million. Although gross domestic product diminished in the first quarter of 1999, most experts predict an increase of 2-3% in 1999 and 3-5% in 2000. Official forecasts are for an increase of 2% in 1999.

Figure 1.1 Gross domestic product 1990-99 (1990=100)

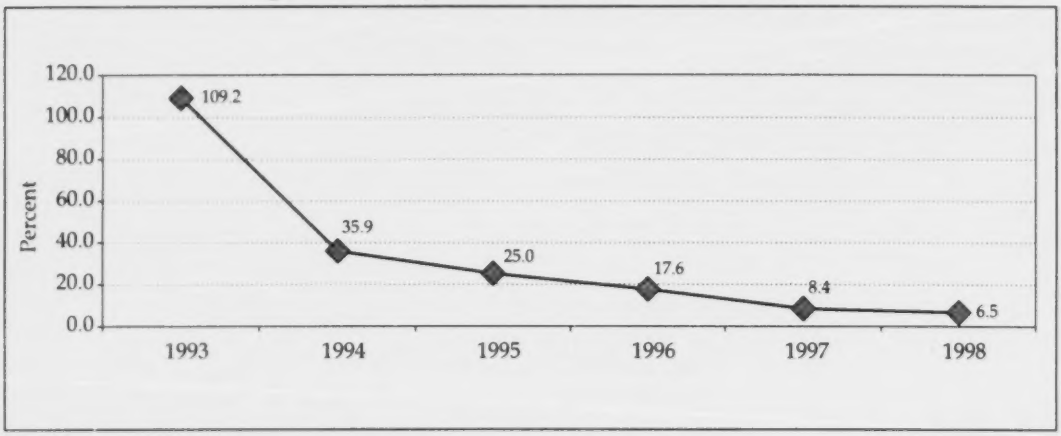
In 1997, per capita gross domestic product, expressed in purchasing power standards, was only 27% of the European Union average (Statistics in Focus, Eurostat, 28/1998).

Also in 1996 and 1997, the continuing structural changes resulted in a decrease in the share of gross domestic product held by agriculture, industry and construction and an increase in the rate for services, especially transport and communications. Gross domestic product per capita (at current prices) was LVL 1,326.53 or USD 2,283.18 in 1997 and LVL 1,540.90 or USD 2,611.70 in 1998. Increased economic activity is forecast during the coming years but the rate of growth will depend

on how fast entrepreneurial activity resumes and whether conditions are created to stimulate investment and to widen markets for exports.

Latvia, like all Eastern European countries, encountered many problems in making the transition to a market economy, including weak capital markets, inflation and supply and demand imbalances. The introduction of the convertible Latvian national currency, the Lats (LVL), in June 1993 marked the beginning of the process of controlling inflation. A consistent economic policy and the tight fiscal and monetary policies of the government and the Bank of Latvia brought about a decrease in inflation from 109 % in 1993 and 36% in 1994 to the 9% target in 1997. However, even the most optimistic forecasts did not foresee the actual decline from 6.8% to 4.7% in the second half of 1998, a trend which has continued into the first half of 1999. The Latvian inflation rate has been one of the lowest in the countries of Central Europe, for several years, and differs only slightly from the average level of the European Union countries. In May 1999, consumer prices were up by 1.9% compared to May 1998. As a result of the crisis in Russia, Latvia has experienced a new phenomenon: deflation. From September 1998 until May 1999, producer prices fell in every month except April. This cannot be viewed as a positive development since producers of goods such as food products were forced to sell below cost in order to keep their market share. For instance, consumer prices decreased by 0.9% in July 1999.

Figure 1.2 Inflation, 1993-98 (annual average)



Privatisation has been one of the most significant aspects of the transition process because it diminishes the role of the state in the national economy and delegates responsibility for economic activity to private enterprise.

In September 1994, the government revised its privatisation policy. The new policy aimed to extend privatisation to the entire national economy, to create a business-friendly environment as quickly as possible and to stimulate inward investment to develop the economy. By 1998, the privatisation of small and medium-sized state-owned companies was completed. Privatisation rules were approved for 97% of the state-owned property portfolio and purchase agreements were made in respect of 95% of the property transferred to the Privatisation Agency prior to 1 January 1998. Privatisation of the remaining state property assets depends on the outcome of juridical procedures. Privatisation of large key enterprises has proceeded quite successfully and has usually been linked to a general development strategy for the sector as a whole. Good examples of this integrated approach are: the banking sector with companies such as Unibanka, Latvijas Krājbanka and Latvijas Investīciju Banka; the transport sector with Nordeka and Air Baltic Corporation; the gas sector with Latvijas Gāze; and significant industrial companies such as Ogre, Riga Ship Repair Yard, Toleram Fibers and the

Valmiera glass fibre plant. Overall, 96% of state enterprises and companies have been designated for privatisation. In 1998, the private sector share of gross domestic product was 65% and it employed 68% of the economically active population.

In January 1995, in order to widen share ownership, the Privatisation Agency began to offer privatisation share certificates to the public and, by 1 April 1999, 62% of these had been used in the privatisation of state and municipal property. During the first half of 1998, gross domestic product grew by 6.4%, compared to the corresponding period in the preceding year, unemployment fell and real wages and pensions increased. However, since mid-1998, the financial crisis in Russia has led to a reduction in exports and industrial companies were forced to reduce output and lay off workers. As a consequence, registered unemployment increased from 7.3% to 8.8% between the end of July and the end of November and, at present, more than 50% of Latvian exports and imports are to and from the countries of the European Union. The total assets of the banking sector also declined during the second half of 1998 but the banking system, on the whole, remained stable.

From 1996 on, activity increased in the manufacturing, construction and commerce sectors, and declined in transport and communications, electricity, gas and water supply, as well as in agriculture. In recent years, private and state consumption has also risen. Creation of an improved entrepreneurial environment and the development of small and medium-sized businesses in particular, are the primary economic policy objectives of the government. In 1997, the Cabinet of Ministers accepted, in principle, the National Programme on the Development of Small and Medium-Sized Enterprises (SMEs) and a Coordination Council was set up to oversee its implementation. In the framework of the Council, subcommittees on legislation, regional development and financial questions were set up and started work. It is intended to create a study programme in entrepreneurship at secondary level, drawing on the experience of the Business Advisory Service Centres in training entrepreneurs. The Business Advisory Service Centres network and the Latvian Guarantee Agency are the main instruments offering support to small and medium-sized enterprises.

In 1997, LVL 0.65 million were allocated from the state budget for the implementation of the Action Plan of the National Programme for the Development of Small and Medium-Sized Enterprises but, in 1998, only LVL 0.075 million from the earmarked 2.25 million were allocated.

Huge potential remains for new enterprise growth and for the acceleration of small and medium-sized enterprise development in Latvia. From 2000 onwards, support from European Union pre-accession structural funds will be available in the areas of investment and training.

In 1998, surveys on employment status found that 83% of the total workforce are employees, 3.3% are employers, 8.4% are self-employed and 5.1% are unpaid family members and relatives working on family farms. The share of self-employed and unpaid family members has dropped over the year, by 2.4 percentage points or 20,300 persons, and is related, to a certain extent, to the inability of small producers to carve out a niche in the market. The fact that 81% of the self-employed and 96% of the unpaid family members and relatives are to be found in rural areas demonstrates how difficult in is to find salaried work there.

Foreign investment has increased substantially in recent years. From 1990 until June 1998, accumulated foreign investment in Latvia was LVL 2.4 billion and at the end of 1998, foreign entrepreneurs had invested more than LVL 846.4 million, of which more than 50% came from European Union countries. It is worth noting that the current account is mainly financed by foreign direct investment and long-term loans. The external reserves of the Bank of Latvia are on the increase and it is expected that, in the second half of 1999, significant foreign investment will flow into Latvia due to privatisation. Reinvestment rates are also improving. It is expected that, in the

coming years, major foreign investments will be made in sectors where Latvia has a comparative advantage. These include:

- transport, which can capitalise on Latvia's strategic geographical location;
- wood processing, the production of building materials and food processing where the raw materials are readily available; and
- textiles, electrotechnics and metal working, which can benefit from the cheap and comparatively well-educated labour force.

Both the foreign trade deficit and the balance of payments current account increased sharply during the second half of 1998. However, the foreign trade balance has already improved and, in the first four months of 1999, the foreign trade deficit has fallen by LVL 43 million or 19% compared to the corresponding period of the previous year. The cause of this turnaround is that imports have fallen by more than exports due to a decrease in internal demand. On 10 February 1999, Latvia was the first of the Baltic countries to join the World Trade Organisation as a fully-fledged member. This offers 'most favoured nation' treatment in the export of goods to 130 countries.

1.2 *Regional development*

Regional policy in Latvia is overseen by the Ministry of Environmental Protection and Regional Development, which is responsible for regional development, and the Ministry of Economy, which is responsible for regional economic policy questions. In 1997, the Regional Development Council was established to coordinate the work of these two ministries. The fundamental goals of the regional development strategy is set out in "Regional Development Policy in Latvia", which was approved by the Cabinet of Ministers in December 1996. One of the essential goals is to create the conditions necessary for the integration of Latvia into the European Union and its regional development programmes

Administrative reform is planned for municipal and regional structures.

Elections to local municipal bodies will take place in 2001 and the government is committed to taking all the necessary measures to ensure they work satisfactorily. The reforms that are introduced will have to ensure conditions for balanced development across the whole country.

There are substantial differences in the economic and social situation between different regions of Latvia, especially between the eastern part (Latgale) and the rest.

1998 economic indicators show that the stratification of the population by standard of living is becoming more marked. It differs, also, between rural and urban areas. Household income in Riga increased by 22.7% whereas, in rural households, the increase was only 3.1%. Regional stratification is also apparent: the Riga region has the highest average monthly household income of LVL 73.98, which is 18.7% higher than the national average of LVL 62.33. Meanwhile, in the Latgale region, the average monthly income was LVL 45.54 per household member, which is 26.9% lower than the national average. (Social Report, Ministry of Welfare)

Table 1.1 Income per household member at the disposal of households, by region in 1998, LVL

Region	Monthly income per household member
Riga region	73.98
National average	62.33
Zemgale	57.06
Vidzeme	55.88
Kurzeme	54.07
Latgale	45.54

Table 1.2 Unemployment in the region of Latgale

Districts	1998	1999
Balvu	21.9%	23.6%
Daugavpils	15.8%	20.8%
Krāslavas	22.2%	23.4%
Preiļu	22.3%	22.7%
Rēzeknes	27.5%	29.0%
Ludzas	19.5%	19.8%
National average unemployment rate	7.6%	9.5%

The level of unemployment in Latgale is about two times higher and basic remuneration about one-third lower than in other parts of Latvia. This explains why the Ministry of Environmental Protection and Regional Development chose Latgale as the location for a EUR 500,000 Phare pilot project called "Preparation of a development plan for the Latgale region".

During 1997, government approved the "Rules on Regions Most Eligible for Support" and, by the end of that year, the selection of the most eligible regions had been made. Five districts, out of a total of 26 (Balvu, Krāslavas, Preiļu, Rēzeknes (partly) and Ludzas), 9 towns out of 76 and 70 parishes out of 500 were selected. Figure 1.3 shows that most of the 'regions most eligible for support' are in the eastern part of Latvia.

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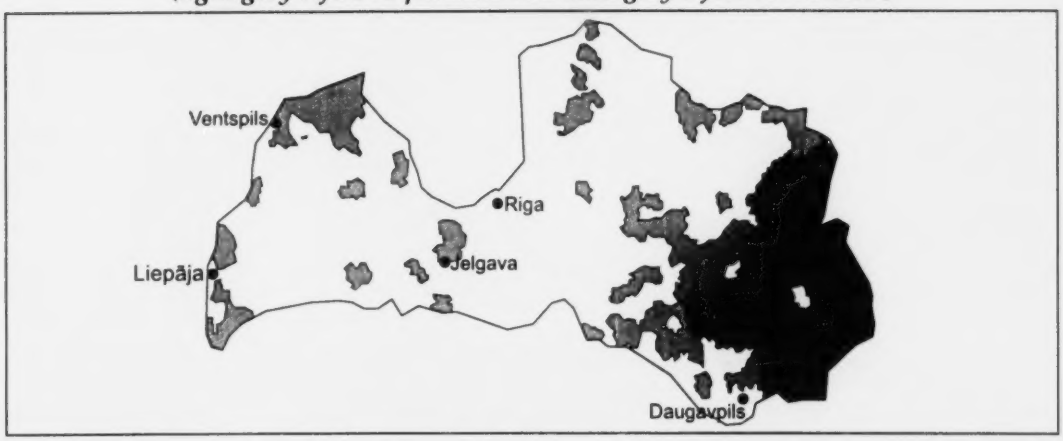
Figure 1.3 Regions most eligible for support (Vaidere, 1999)
(light grey refers to parishes and dark grey refers to districts)



The programme to promote the economic development of assisted areas started properly in 1998. The main objective of the programme is to create new jobs and to enhance the business climate in less developed areas. In 1998, the necessary regulatory base was put in place and approved by the Cabinet of Ministers. At the same time, the Regional Fund and the Regional Development Authority, which was established as a state, non-profit, limited liability company, were set up.

In order to further promote the development of assisted regions/territories and to implement regional policy, in line with national and European Commission criteria and requirements, the Ministry of Economy plan to refine the method of selecting special regions and to bring forward proposals to differentiate the means, scope and level of support to businesses in the selected regions. (Economic Development of Latvia. Ministry of Economy)

1.3 *Demography*

In January 1999, the population of Latvia was 2,439,445, of which 46.3% were male and 53.7% female.

Recent major changes in living conditions are reflected in the demographic situation. The rate of natural population increase has been declining since 1987 and, in 1991, became negative when the number of deaths exceeded births by 116. As a result of this decline, the number of inhabitants in 1996 was 188,000 less than in 1991.

In 1999, as in 1998, the number of deaths exceeded births in all towns and regions.

The evolution of the rate of births and deaths between 1986 and 1999 is shown in Figure 1.4 and Table 1.3.

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Figure 1.4 Births and deaths in Latvia, 1986-99

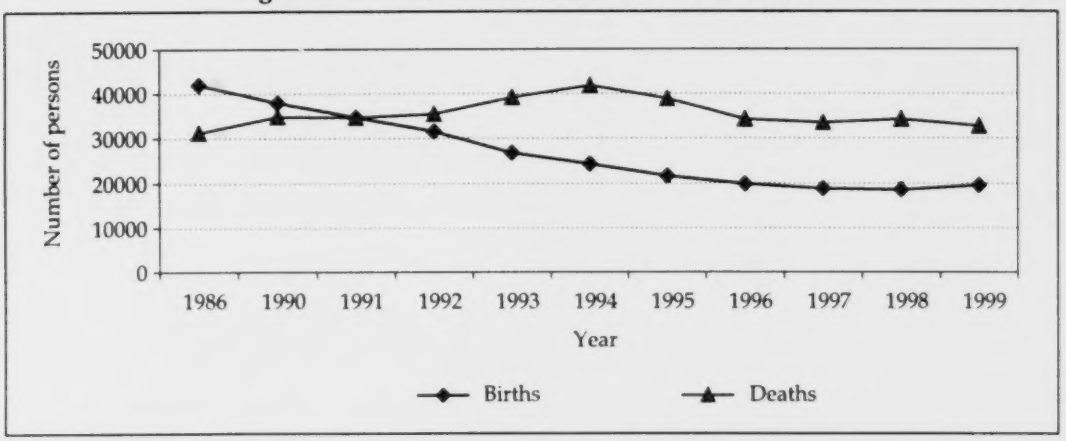

Table 1.3 The rate of natural population increase, 1986-99 (per thousand)

Year	1986	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Births	42.0	37.9	34.6	31.6	26.8	24.3	21.6	19.8	18.8	18.4	19.5
Deaths	31.3	34.8	34.7	35.4	39.2	41.8	38.9	34.3	33.5	34.2	32.8
Natural increase	10.7	3.1	-0.1	-3.8	-12.4	-17.5	-17.3	-14.5	-14.7	-15.8	-13.3

There was a negative natural population increase for all national groups, as well as for both urban and rural populations.

The population ageing process continued to intensify in 1999 (Figure 1.5, Breakdown of population by age, January 1999). The proportion of children and adolescents (0-14 years of age) to the total population declined from 21.3 % at the beginning of 1987 to 18.5 % at the beginning of 1999 and the proportion of the population aged 60 and over increased in this period from 16.8 to 20.3 %. The demographic burden, i.e., the population under and over working age per 1,000 population of working age, has started to decrease recently but this is partly attributable to the raising of the retirement age for women.

At the end of the 1980s, the proportion of children and teenagers in the total population was higher than the proportion of the population of pension age. However, from 1993 onwards the proportion of children and teenagers is lower.

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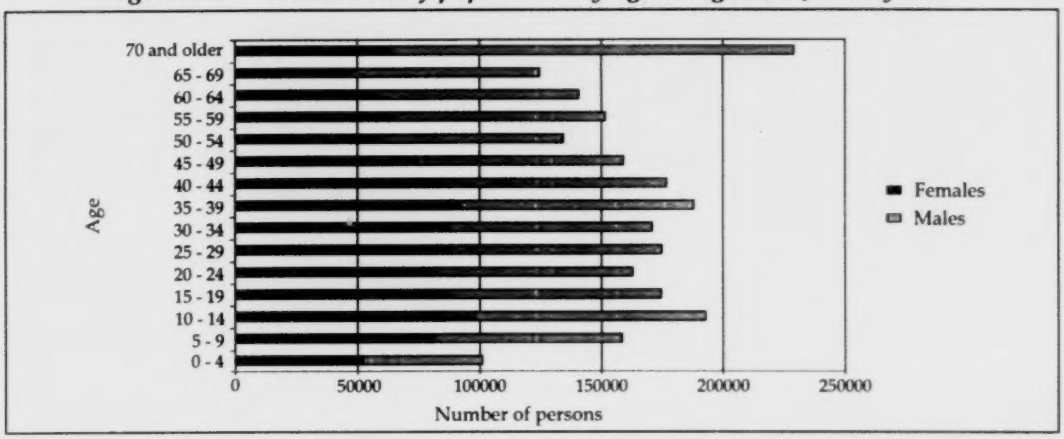
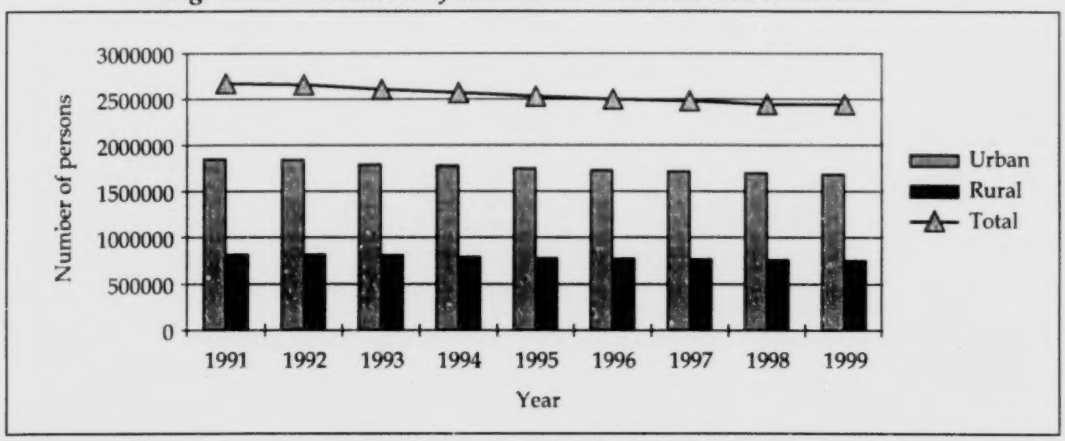
Figure 1.5 Breakdown of population by age and gender, January 1999



In Latvia, as in many other countries, the development of huge industrial enterprises in the cities has drawn people from rural areas. In January 1999, the total permanent population other than Riga stood at 1,683,500. In January 1999, Riga, the main city and capital of Latvia, had 797,000 inhabitants. This was approximately one third of the population and represented a decline of 16,000 on 1997. About 18% of the population live in 6 relatively large towns having from 40,000 to 120,000 inhabitants. Approximately the same proportion of the population, 19%, lives in smaller towns which, under the Latvian system, are classified as urban areas. The urban population, therefore, is about 69% (Figure 1.6). The sizes of these small towns vary widely but all have fewer than 40,000 inhabitants. The living conditions and lifestyles, as well as the quality and range of education opportunities, differ not only between urban and rural districts but also between cities and towns of different sizes. The employment situation also differs between towns because, in Soviet times, the larger enterprises were concentrated in the large cities and the small towns had only enterprises of local importance.

Figure 1.6 Number of inhabitants in urban and rural areas



In January 1999, the ethnic/nationality breakdown of the population was: Latvian, 55.7%; Russian, 32.3%; Belorussian, 3.9%; Ukrainian, 2.9%; and other, 5.2%. Although the proportion of Latvians has increased to 55.7%, it differs widely between regions. The proportion is highest in the Ventspils district, 95.6%, the Talsi district, 91.2%, the Kuldīga district, 89.4% and the Limbaþi district, 88.1%.

On the other hand, in Daugavpils, it is only 14.3%, in the Daugavpils district, 37.2%, in Riga, 38.8%, in Rēzekne, 39.6%, in the Krāslavas district, 44.2%, in Liepāja, 45.3%, in Jūrmala, 47.1% and in Ventspils, 47.6%.

In 1998, the government approved an action plan designed to improve the demographic situation, whose main goal is the quantitative and qualitative regeneration of the nation.

1.4 *Social protection*

The Ministry of Welfare is the main institution responsible for social policy. This was established in 1991 by merging the Health Ministry and the Social Security Ministry together with the Labour and Social Affairs Commission and the Welfare Department of the Ministry of Economy.

The main objective of the Ministry of Welfare is to create a democratic, stable, accountable and viable social protection system which is capable of protecting the socio-economic rights and health of all individuals.

Since 1999, the social security system has been transformed and modernised with the objective of adapting it to the present socio-economic system and increasing its efficiency. In many respects, it would be accurate to say that a system of social protection has been established.

The basic rights to social protection are laid down in the Law on Rights and Duties of Inhabitants and Citizens, which sets out the entitlement to financial benefits at pension age and in case of illness or disablement, as well as the right to unemployment benefit when unemployed. In 1995, the Saeima (Parliament) adopted 7 new laws covering all aspects of social protection. These were:

- the Law on Social Security;
- the Law on the Social Tax;
- the Law on Social Assistance;
- the Law on State Pensions;
- the Law on Mandatory Social Insurance for Unemployment;
- the Law on Mandatory Insurance for Accidents at Work and Occupational Illnesses; and
- the Law on Maternity and Disability Allowances.

These laws guarantee the citizens' social protection and, at the same time, increase their personal responsibility and their involvement in insurance provision for their own social security. These laws and related statutory instruments also regulate the financial and organisational structure of social insurance. The government decides on the level of social benefits and the payment procedures.

The priorities of Latvian social policy remain unchanged. These are:

- the improvement of the living standards of the population and the reduction of poverty, having particular regard to the situation of families with children;
- the creation of a high quality and efficient health care system, with particular emphasis on preventive measures;
- the development of an active employment policy and the introduction of innovative approaches;

- the development and improvement of an effective regulatory control mechanism for labour relations, remuneration and occupational safety; and
- the continuation of social reforms, the development of timely social intervention mechanisms and the integration of disadvantaged groups into the community.

1.5 *The labour market*

Between November 1997 and May 1999, the number of economically active inhabitants - both employed and unemployed - declined by 25,300 (Central Statistics Bureau). The number of employed persons declined by 16,900, from 1,014,900 in November 1997 to 998,000 in May 1999. The analysis of employment rates by age group shows a slight decline for all age groups except 15-19, 20-24, 25-29, 40-44 and 65-69. In the case of the 15-19 and 20-24 age groups, there were increases of 5.8 and 13.4 percentage points, respectively, but in the 25-29 and 40-44 age groups the increases were only 0.7 and 0.1 percentage points. A high increase in employment rates occurred in the 60-64 age group, with an increase of 6.7 percentage points (7.1 for men and 6.4 for women).

Data for May 1999 show that, as in 1998, the majority of the employed population, 57.0% or 568,600 persons, continued to work in the service sector. There was a fall of 1.7%, or 17,500 persons, in the numbers employed in manufacturing compared to 1998. The corresponding decline for men was 5,200, or 1.3%, and for women 12,300, or 2.2%. The numbers employed in the agriculture sector fell by 16,500, or 1.5 percentage points, and by 3,100 - or 0.2 percentage points - in the wholesale and retail trade, the repair of motor vehicles, motorcycles and personal and household goods. In contrast, the number of employed and the employment rate increased in public administration and defence, compulsory social security (7,100, or 0.8 percentage points), and in the wholesale trade (6,000, or 0.7 percentage points).

Most main job holders have secondary education. Those with secondary specialised education make up the largest block, with 25.1 % in May 1999 and 25.2 % in May 1998, followed by those with comprehensive secondary education, 23.8% and 24.2%, respectively. There are more women with higher education than men but, during the year, the number of employed men with higher education increased by 2.4 percentage points, whereas that of women increased by 0.2 points. The percentage of employed persons with comprehensive secondary education has also increased.

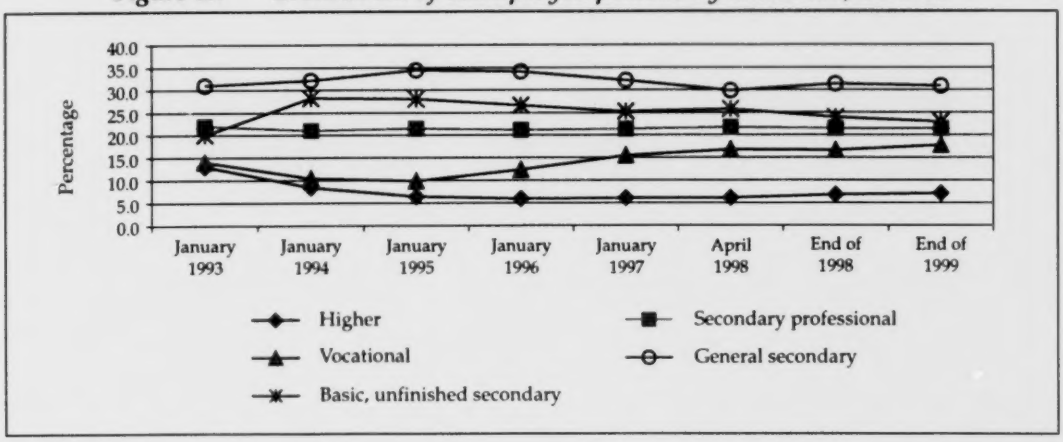
The number of persons registered as unemployed by the State Employment Service in 1999 decreased from 114,190 at the beginning of the year to 109,497 at the end of the year. The highest level of unemployment is in the Rēzekne, Balvi, Preiļi and Krāslava districts of the Latgale region and the lowest is in the Riga, Ogre, and Saldus districts. During 1999, the unemployment rate more than doubled in some districts. In the Talsi district it increased from 4.5% to 12.3%, in Limbaþi from 6.0% to 13.6%, in Ventspils from 3.2% to 7.5% and in Liepāja from 7.3% to 14.2%. This deterioration was due to the impact of the financial crisis in Russia.

Persons with higher qualifications were most successful in finding a job and, since there is almost no labour market demand for those without a skill or specialism, it is important for everyone to raise his or her qualification level.

At the end of 1999, 15% of the unemployed were under 25, 53.6% were 30-49 years old, 12.8% were 25-29 and 50-54 years old, and 6.0% were 55-59 years old.

Of the total unemployed at the end of 1998, 6.8% had higher education, 31.3% had general secondary education and 23.9% had basic or unfinished basic education (Figures 1.7 and 1.9).

Figure 1.7 Breakdown of unemployed persons by education, 1993-99

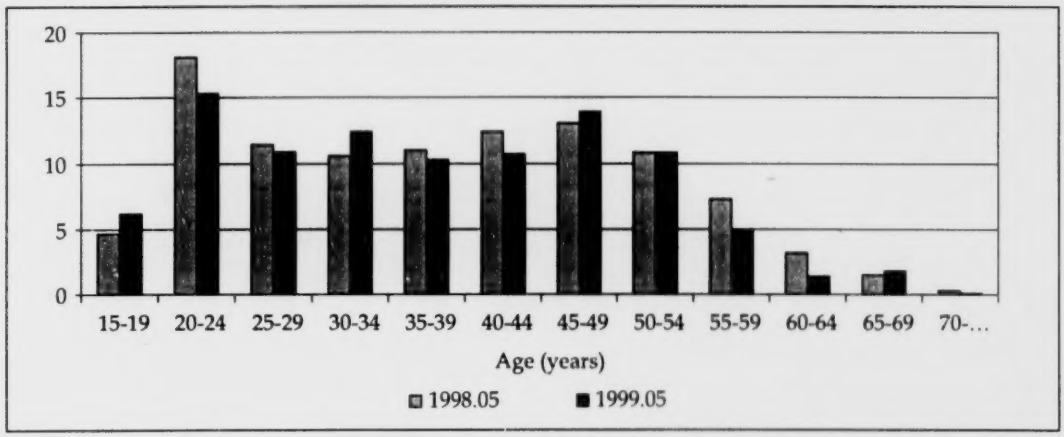


The composition of the unemployed population, broken down by national origin, does not vary significantly from that of the population as a whole. (Table 1.4).

Table 1.4 Breakdown of permanent inhabitants and unemployed persons by nationality

	Latvians		Russians		Belorussians		Ukrainians		Other	
	Inhabi-tants	Unem-ployed	Inhabi-tants	Unem-ployed	Inhabi-tants	Unem-ployed	Inhabi-tants	Unem-ployed	Inhabi-tants	Unem-ployed
1997	55.3	53.7	32.5	33.4	4.0	4.8	2.9	2.5	5.3	5.6
1998	55.5	49.6	32.4	36.5	3.9	4.9	2.9	3.0	5.3	6.0
1999	55.7	49.0	32.3	36.7	3.9	5.0	2.9	3.0	5.2	6.3

Figure 1.8 Distribution of job seekers by selected age groups, %



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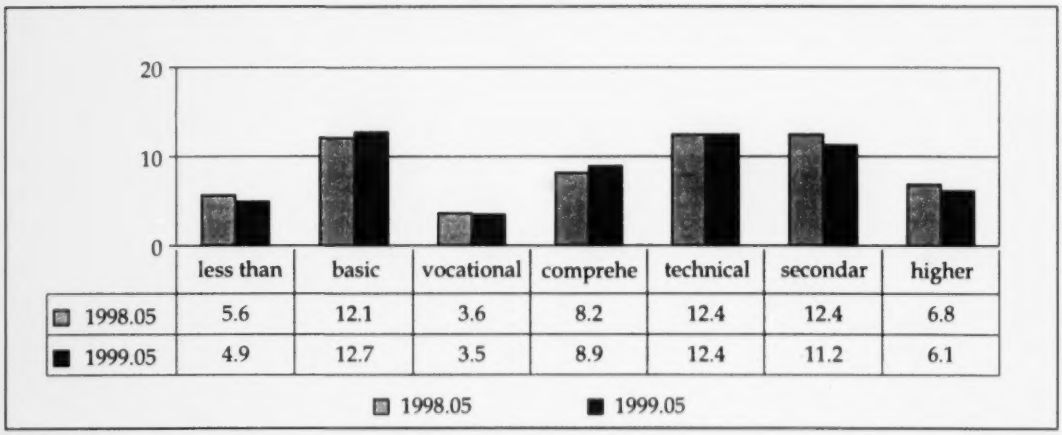
There were 162,100 job seekers, 8.2% of the total population, in May 1999 (Central Statistics Bureau). This was a decline of 500 on May 1998 and represented a reduction of 0.8 percentage points for men and 0.3 for women. During the 12-month period to May 1999, there was a decline of 1.2 percentage points in the proportion of job seekers in urban areas and an increase of 0.5 percentage points in rural areas. In May 1999, the 20-24 years age group had the highest proportion of job seekers, 15.3%, whereas the sharpest fall was in the 55-59 years age group, where the rate fell from 7.3% to 4.9%. The rate decreased in all age groups, except the 15-19 and 30-34 groups where the increase was 1.5 and 1.8 percentage points, respectively.

In October 1998, local offices of the Central Statistics Bureau carried out a survey, "Forecast of increase or decrease in the number of workers in 1999 by occupation", which found that demand is expected to decrease for low-skilled workers and for agriculture and fish-farming specialists. Demand is expected to increase for qualified workers and craftsmen, operators of machines and equipment and for workers in the services and commerce areas.

During the year, the proportion of job seekers in the total population has decreased across all education levels.

Figure 1.9 Distribution of job seekers by level of education, %



	less than	basic	vocational	comprehe	technical	secondar	higher
1998.05	5.6	12.1	3.6	8.2	12.4	12.4	6.8
1999.05	4.9	12.7	3.5	8.9	12.4	11.2	6.1

The share of job seekers in the economically active population decreased from 14.7% in May 1998 to 14.0% in May 1999 – a decline of 1.1 percentage points for men and 0.2 for women (Central Statistics Bureau). In rural areas, the share of job seekers in the economically active population increased by 2.2 percentage points whereas, in urban areas and the country as a whole, it decreased by 1.8 percentage points thus indicating that the urban population still has a better chance of finding a job (Figure 2.3).

After the monetary reform of 1991, the wages system also changed. The Labour Code provides that the Tripartite Consultative Council may submit proposals and the Cabinet of Ministers approves the level of the minimum wage. Wage rates for all state sector employees are linked to the minimum wage. This is set at LVL 50 per month with effect from 01 January 1999, although the Labour Code stipulates that the minimum wage cannot be lower than the officially-set subsistence minimum. The Chamber of Commerce and Industry and the Free Trade Union Council have decided to campaign to have a minimum wage of LVL 65 approved. In 1998, approximately 80% of the population had less than the current, per capita, subsistence minimum of LVL 82.15. Some provision is made in the state budget for passive and active measures to tackle employment problems. Active measures now include career guidance and counselling, education and retraining, creation of temporary jobs and

job seekers clubs etc. Overall funding for employment problems is in the range of 2-3% of the total state budget. The balance of funding between active and passive measures changes every year and, in recent years, funding of active measures has significantly increased (Table 1.5).

Table 1.5 Indicators of active measures for employment

Indicator	1995	1996	1997	1998
Retraining of the unemployed (number trained as a % of the average number of unemployed in the year)	7.8	10.0	8.7	18.1
Provision of paid temporary work (number employed as % of average number of unemployed in the year)	17.3	11.6	9.7	13.5
Total budget for labour market policy	11,856,696	14, 860,176	17, 434,190	23, 833,352
Share of funding spent on retraining of the unemployed (% of the total budget for labour market policy)	17.9	13.6	13.3	16.4
Share of funding spent on organising temporary work (% of the total budget for labour market policy)	9.9	7.7	6.9	8.9

Source: State Employment Service

The training and retraining of unemployed persons, which began in 1992, when the Regulations on the Vocational Training and Retraining of the Unemployed were adopted, is the most important of the active measures. Currently, this area is governed by the Regulations on the Vocational Training and Retraining of the Unemployed, which were adopted by the Cabinet of Ministers in 1994, and absorbs approximately two-thirds of the active measures expenditure.

Of the unemployed persons involved in active labour market policy measures, 45.2% acquired a vocational qualification or improved their current one, in 1998.

The proportion of unemployed persons participating in retraining has more than doubled since 1997 as both the popularity of, and access to, this measure has grown (Table 1.5). Demand for study and retraining places still exceeds availability; only 67.6% of unemployed applicants could be accommodated in 1998, although state funding for the training and retraining of unemployed persons amounted to LVL 3,915,800 and represented an 80% increase on 1997. The number of persons that found a job after retraining increased between 1995 and 1998. (Table 11, Chapter 3.1).

At present, one of Latvia's main labour market problems is the low level of labour force mobility on a geographical or professional basis. The State Employment Service needs to take steps to increase professional mobility and improvements are needed to the vocational education and training system which take account of future changes in the labour market structure.

On a positive note, in the eastern part of Latvia, where the level of unemployment is highest, the development of residential training of the unemployed has led to significant increases in the numbers of persons that have found employment after retraining.

Special support is needed to tackle the problem of training for disadvantaged groups. Cooperation between state and municipal organisations should be organised and developed. Of the unemployed who participated in training or retraining in 1998, 22.7% were long-term unemployed, 26.4% were in the 18-25 age group, 1.5% were disabled, 0.6% were discharged prisoners and 3.6% were of

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pre-pension age. Since regional disparities in Latvia are closely related to unemployment, regional development plans and projects should be linked to training programmes for the unemployed, in view of the lack of existing job vacancies.

2. Modernisation of vocational education and training

2.1 *Organisation of education and training*

2.1.1 *School education*

Basic education begins at the age of seven and lasts a total of nine years - four years at primary level and five years at lower secondary school. It is compulsory to continue basic education studies until the age of eighteen.

General secondary education lasts for a total of twelve years. During the three years of upper secondary education, at least twelve subjects have to be studied. From 1999/2000 the free choice of elective subjects is being replaced by a choice of four types of general secondary education programmes designed by the schools as follows:

- general programmes based on a wide range of subjects;
- programmes centred on the humanities and social sciences;
- programmes combining mathematics, the natural sciences and technical subjects; and
- general education programmes based on vocational subjects.

There are three groups of subjects in the curriculum: subjects that are compulsory for all general education programmes; subjects that are compulsory for the chosen discipline; and subjects freely chosen by students (up to 25% of the total).

Students are awarded a certificate of general secondary education when they have completed all courses and passed five final examinations. Centralised state examinations were introduced in Latvia in 1997.

2.1.2 *Vocational education*

Most vocational education programmes are designed for holders of a 9-year schooling certificate. There are, however, special basic vocational education programmes for those who, for whatever reason, have not completed basic education.

Before the implementation of the 1999 Law on Professional Education the system of vocational training institutions and programmes was rather complicated. From 1999/2000 on, there are just two kinds of vocational education at secondary-level:

- vocational education consisting of 2- or 3-year programmes leading to level II qualifications (according to the ISCED classification) but not providing a full secondary education level; and
- secondary vocational education consisting of programmes of a minimum of 4 years leading to level III vocational qualifications and providing access to higher education studies.

The aim of vocational education reform is to design vocational programmes in close cooperation with the labour market thus enabling graduates to find suitable employment.

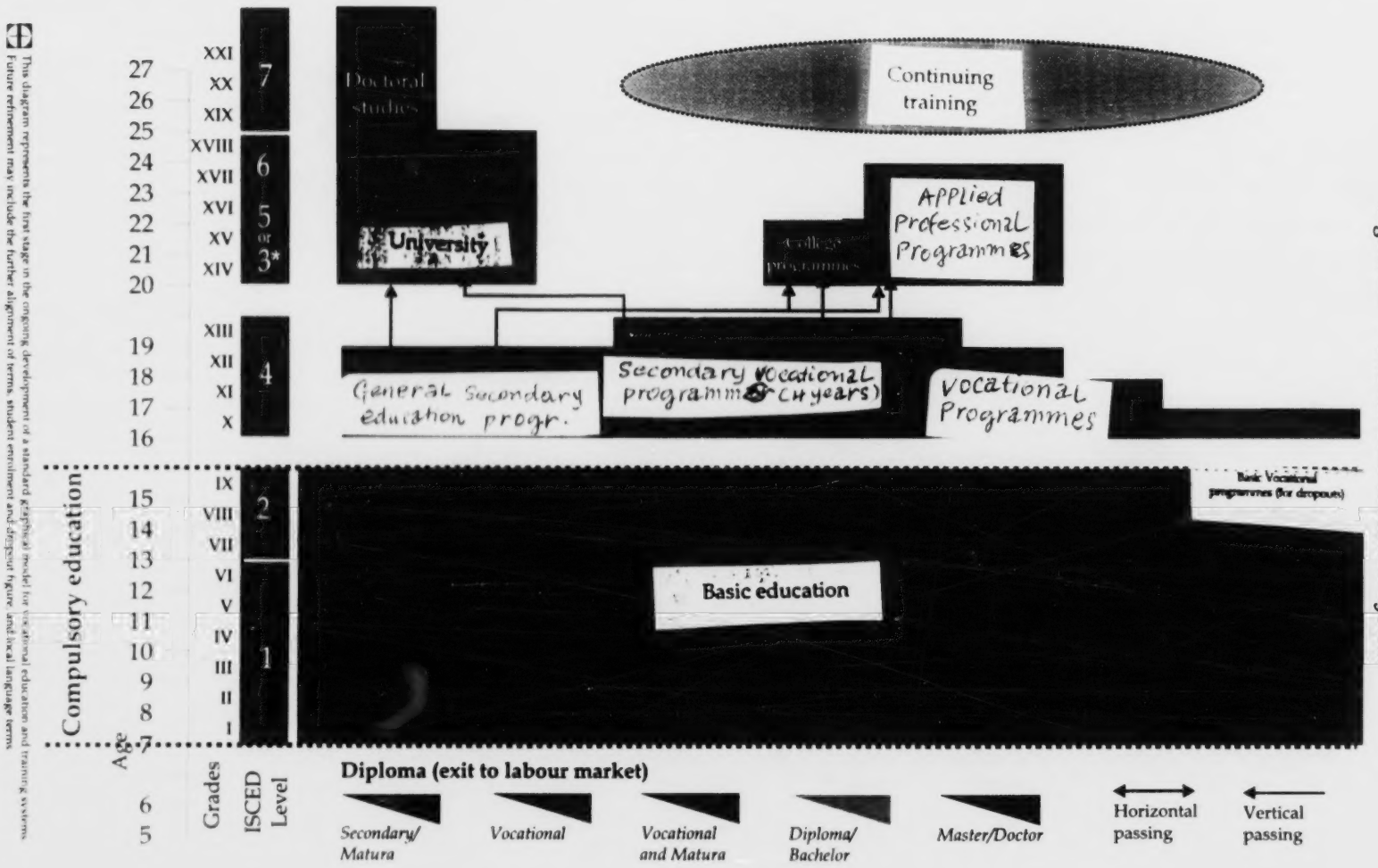

Figure 2.1 The Latvian education system

This diagram represents the first stage in the ongoing development of a standard graphical model for vocational education and training systems. Future refinement may include the further alignment of terms, student enrolment and dropout figure and lexal language terms.

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2.1.3 *Higher education*

All holders of general secondary education certificates have access to higher education. However, the institutions of higher education are free to specify which secondary school subjects qualify students for admission to a chosen programme.

Academic higher education is divided into two stages. A *bakalaurs* (bachelor) degree is awarded after three to four years of studies. A magistrs (master) degree course takes four to five years to complete. Academic higher education programmes are available in humanities and languages, social sciences, law, medicine and dentistry, natural sciences, technical and agricultural disciplines.

A master degree provides access to doctoral studies, which normally last 3 to 4 years. A doctoral degree is awarded after a public defence of a doctoral thesis.

Professional higher education programmes can be 'university type', 'applied' or 'non-university type'.

There are two kinds of 'university type' programme: one of 4-5 years duration, incorporating a bachelor degree; and another 1-2 year professional programme for holders of a bachelor degree.

The applied study programmes are mainly labour-market oriented and they do not include a bachelor degree. The 1999 Law on Professional Education allows, where appropriate, the division of higher professional education into two stages. The first stage (2-3 years) leads to a level IV professional qualification and a college diploma. The second stage of higher professional studies leads to a higher professional education diploma and a level V professional qualification. There are two ways of organising college programmes. They can be organised by existing higher education institutions as the first stage of 'full' higher professional programmes, or they can be organised through upgrading existing post-secondary vocational programmes to higher education level.

2.2 *Main features of the vocational education and training system*

2.2.1 *General characteristics*

The vocational education system in Latvia has traditionally been school-based. The 1998 Ministry of Education and Science regulation designed to enhance the training system set out the main elements and scope of curricula within the vocational education programmes.

The curricula include:

- theory, which includes theoretical training;
- practice, which includes practical and laboratory lessons in general and professional subjects, physical training, practical training as well as practical placement in education establishments and business enterprises; and
- course work, projects and examinations.

The table below shows the relationship between theory and practice.

Table 2.1 Relation between theory and practice, %

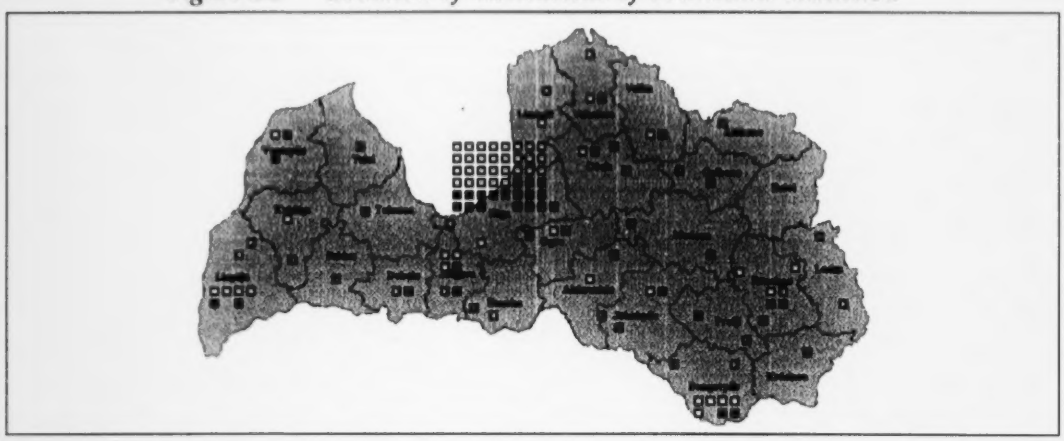
Professional qualification level	Theory	Practice
3	50%+/- 3%	50% +/- 3%
2	35 +/- 3%	65% +/- 3%

Theory includes general subjects (only for those with a basic education background) and professional subjects.

2.2.2 *Education institutions*

At the beginning of the 1998/99 school year, there were 120 vocational education institutions in Latvia. There is quite a large network of vocational education institutions in all districts except Balvi. Thirty-seven per cent of all vocational education institutions are located in Riga, 7% in Daugavpils and 6% in Liepāja.

Figure 2.2 Location of institutions of vocational education



Several changes have occurred since independence was regained in 1991:

- specialised secondary teacher-training schools were reorganised to become higher education institutions in 1993;
- only two vocational education and training institutions that were part of the prison system, in Jelgava and Jēkabpils, continue to function;
- single profile vocational education and training schools were merged in order to optimise the network of education institutions; and
- private and municipal vocational education institutions were established.

Under the Law on Education, control of vocational education and training institutions in Latvia can be exercised by the state or municipal authorities or they can operate privately. At the beginning of 1998/1999 school year, 93% of vocational education and training schools were controlled by the state, 3% by municipal authorities and 4% were privately controlled.

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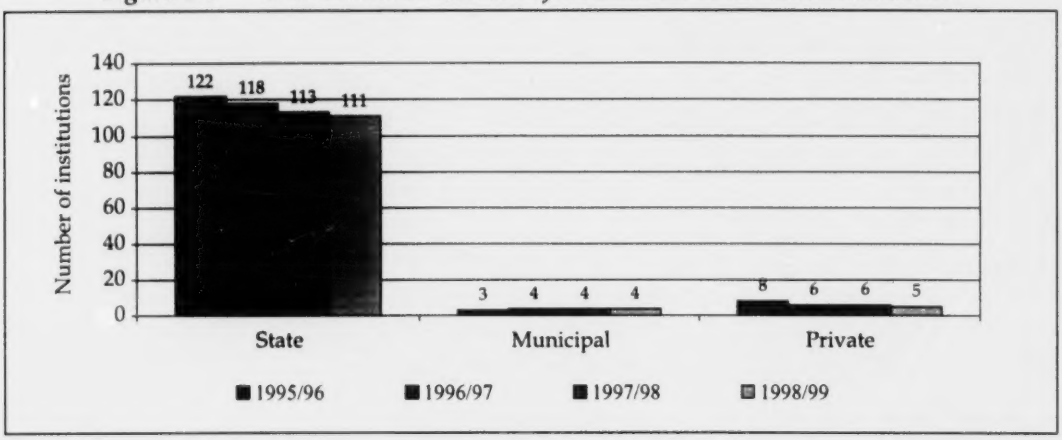
At the beginning of the 1998/1999 school year, the number of vocational education and training schools was 13, a decline of 8% on 1995/1996. The number of state vocational education institutions had decreased by 9 or 11%, and the number of private schools by 3 or 3.7%, but the number of municipal schools had increased by 1.

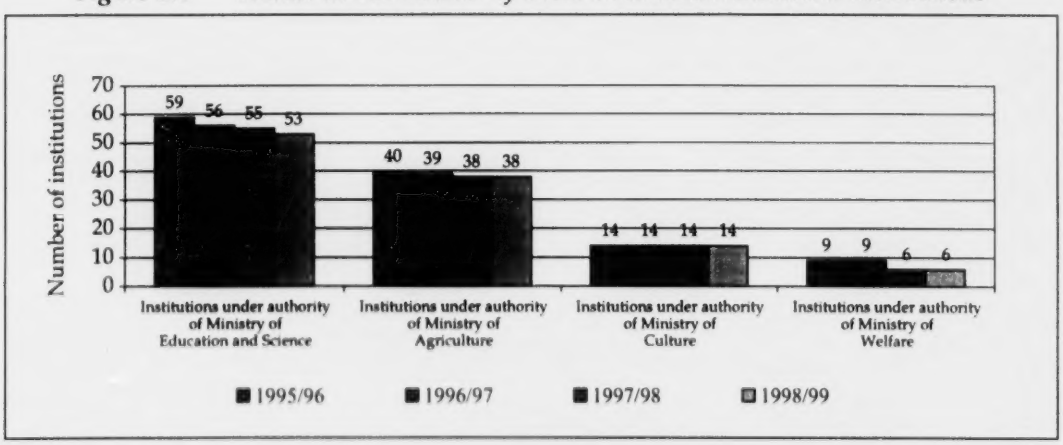
Figure 2.3 Trends in the numbers of vocational education institutions



Statistics for the last four years show that the number of vocational education institutions under municipal control remains constant but that the number of state and private vocational education institutions is in decline.

Several ministries are responsible for State vocational education and training institutions. At the beginning of the 1998/99 school year there were 111 vocational education and training schools in total, of which the Ministry of Education and Science was responsible for 53, or 48% of the total, the Ministry of Agriculture for 38, or 34%, the Ministry of Culture for14,or13%, and the Ministry of Welfare for 6, or 5%.

Figure 2.4 Trends in the number of state vocational education institutions



Statistics for the last four school years show that all ministries, with the exception of the Ministry of Culture, have closed or reorganised the vocational education institutions under their control. As the ministries operate independently of each other, every ministry optimises its own network of

vocational education and training schools separately, thus hindering a coherent adjustment of the whole network.

Centres for curriculum development and examination are being established on the basis of existing vocational education and training schools in order to make better use of financial and technical resources allocated by the state and to ensure that qualitative vocational education is widely available. It is envisaged that these centres will be provided with the modern technical equipment necessary for students to acquire the requisite skills. It is also intended to organise courses to improve the skills and to provide retraining for workers in industry and in the education system as well as to carry out uniform tests of students' knowledge and skills, and to improve and introduce new curricula and teaching materials.

The Ministry of Education and Science has established six such centres for curriculum development and examination: for welders, indoor and outdoor workers, tailors, electricians, metal workers and motor mechanics.

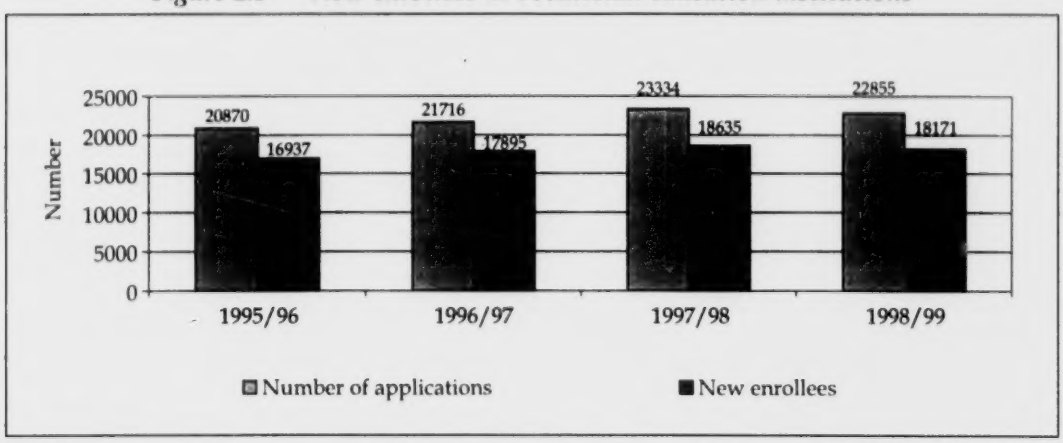
The Ministry of Agriculture has established three regional agriculture centres and five specialised centres specialising in gardening, modern food processing technologies, agribusiness, forestry, cereals and sugar beet.

2.2.3 *Enrolment of students*

In the 1998/99 school year, of the 22,855 candidates who applied for admission, 18,171 or 79.5% were enrolled, which is 2.5% less than in the previous school year (Figure 2.8).

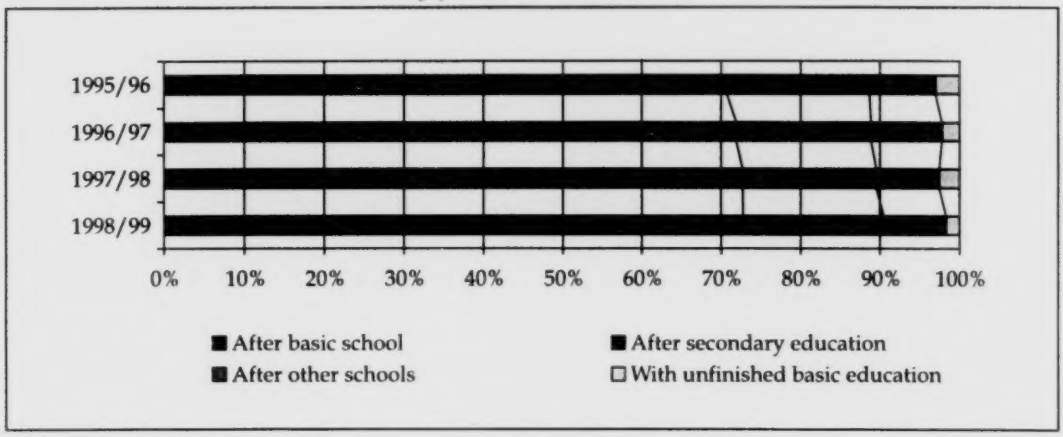
The average number of applicants for each place in a vocational education and training institution was 1.3. There were 1.5 applications for each place in a Ministry of Culture school, 1.3 for a place in a Ministry of Education and Science school and 1.1 for each place in other schools.

Figure 2.5 New enrollees in vocational education institutions



Statistics for the last four years show that student enrolment in vocational education institutions has increased every year except 1998/99. In 1998/99, 72.8% of enrolled students had basic education, 17.6% had general secondary education, 7.8% came from other schools and 1.7% had not completed basic education (Figure 2.6).

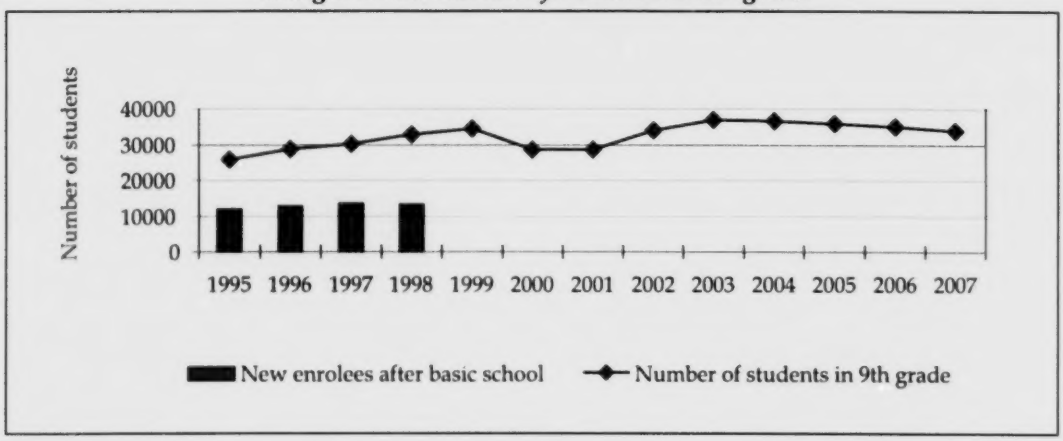
Figure 2.6 New enrollees in vocational education institutions by previous education



Statistics show that most enrolled students had basic education.

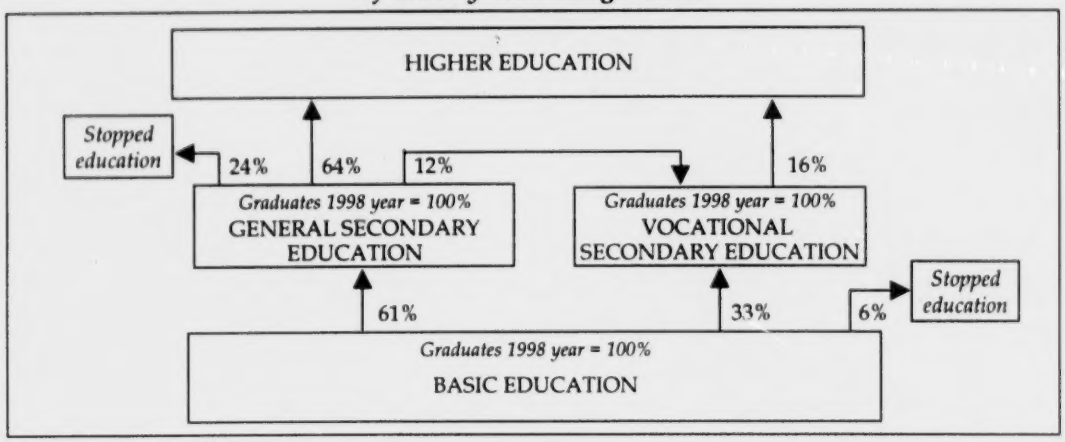
In the 1998/99 school year, the share of enrollees having basic education increased by 2.1% compared to 1995/96. Apart from this, 61% of students enrolled had finished the 9th grade.

Figure 2.7 New enrollees in vocational education institutions after basic schools and changes in the number of students in 9th grade



Due to the relatively high population growth in the early 1980s, the number of students in secondary education institutions has been on an upward path since 1996. A temporary 'dip' is projected for 2000 and 2001 and, due to the declining birth rate in subsequent years, the number of potential students will drop from 2005 onwards. This should be kept in mind when planning the number of study places at vocational education and training schools.

Figure 2.8 Breakdown of graduates of basic and secondary schools of 1998 by continuing studies

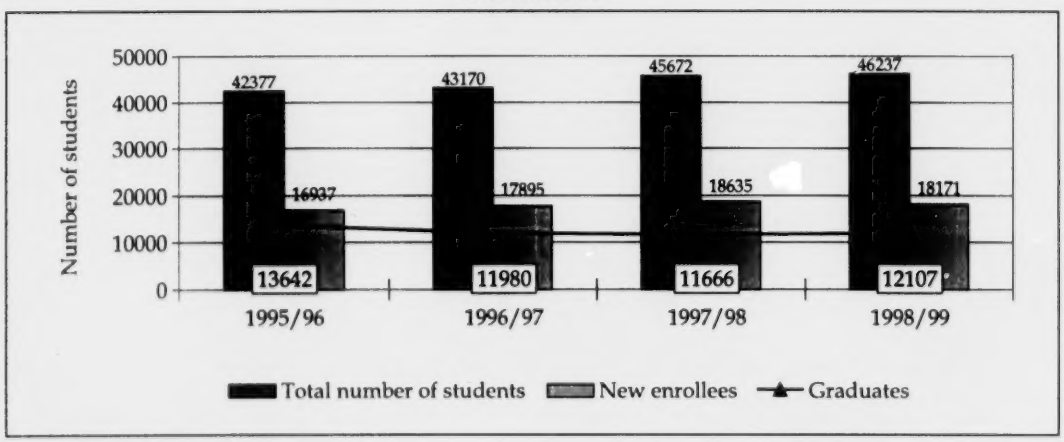


In 1998/99, the proportion of basic school graduates entering secondary schools increased by 5% but the proportion of basic school graduates entering vocational education and training schools decreased by 7% compared to the previous school year. The proportion of basic school graduates who do not continue their education has increased by 2%. The proportion of secondary school graduates entering vocational education and training schools has decreased by 1%. Data for the last four years show that the number of basic and secondary school graduates entering vocational education and training schools has decreased.

2.2.4 *Number of students*

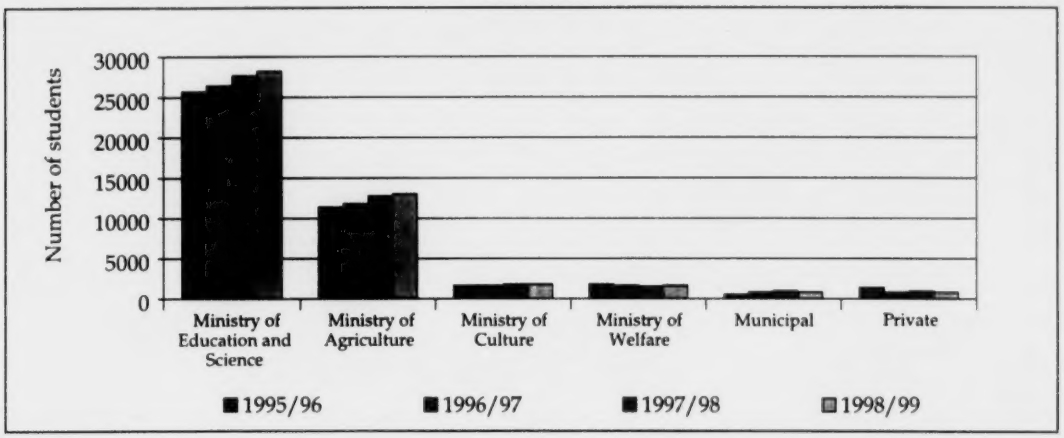
In 1998/99, the total number of students in vocational education institutions was 46,237. Compared to the previous year, the total number of students in vocational education and training schools increased by 1.2%.

Figure 2.9 Trends in the number of students in vocational education institutions



The breakdown of students in different types of vocational education institutions is as follows: 61% study in institutions controlled by the Ministry of Education and Science; 28.2% in institutions controlled by the Ministry of Agriculture; 3.8% in institutions governed by the Ministry of Culture; 3.6% in municipal schools; and 1.7% in private schools.

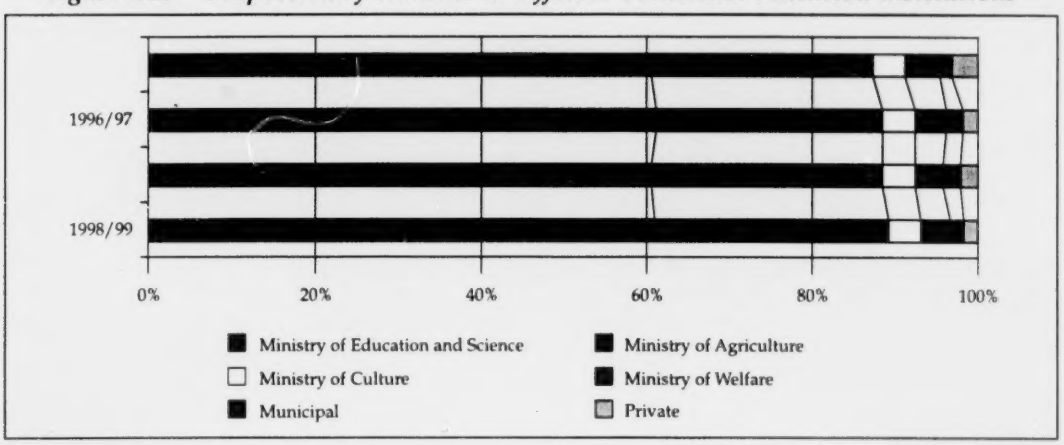
Figure 2.10 Trends in the number of students in different vocational education institutions



The number of students in institutions governed by the Ministry of Education and Science in 1998/99 increased by 516 or 1.8% compared to 1997/98, in institutions governed by the Ministry of Agriculture by 318 or 2.5%, in institutions governed by the Ministry of Culture by 11 or 0.6%, and in institutions governed by the Ministry of Welfare by 70 or 4.5 %. The total number of students in municipal schools decreased by 153 students or 16.3%, and in private schools by 196 students or 19.7%.

These figures indicate that the numbers of students in state vocational education institutions are increasing, but are decreasing in municipal schools.

Figure 2.11 Proportion of students in different vocational education institutions



Analysis of the data for the last four years shows that the number of students in vocational education institutions controlled by the Ministry of Education and Science, Ministry of Agriculture and Ministry of Culture is increasing, but the numbers in schools controlled by the Ministry of Welfare and in municipal and private schools fluctuates every year.

2.2.5 *Education programmes*

The breakdown of students by field of studies depends on a number of factors. These include tradition, economic development and structure, the nature of the education system and the wishes and interests of students. The Ministry of Education and Science approved the National Classification of Education in 1997 in order to coordinate education programmes and the directions of studies as well as to ensure that comparisons can be made with statistical data from other countries. Statistical data on vocational education and training programmes are summarised according to this classification.

In 1997, the new version of the International Standard Classification of Education (ISCED-97) was accepted. Accordingly, the Ministry of Education and Science has developed the new version of the National Classification of Education of Republic of Latvia and this new version was approved on 24 December 1998. This version will be used in summarising statistical information beginning in 1999/2000.

Table 2.2 Breakdown of students by field of studies

Code	Field of studies (according to the National Classification of Education)	1997/98		1998/99	
		New enrollees	Total enrolment	New enrollees	Total enrolment
	TOTAL	18635	45672	18171	46237
0	General education				
01	Comprehensive and specialised education	714	714	456	722
2	**Humanities**				
21	Art, music and choreography	451	1821	429	1605
22	Humanities	98	160	113	234
3	**Social sciences**				
31	Economics and other social and behavioural programmes	295	477	0	60
32	Information and interface programmes	34	47	22	55
34	Business and management	2367	5831	2808	7088
38	Law and jurisprudence programmes	71	141	97	169
4	**Natural sciences**				
42	Animate nature sciences			24	44

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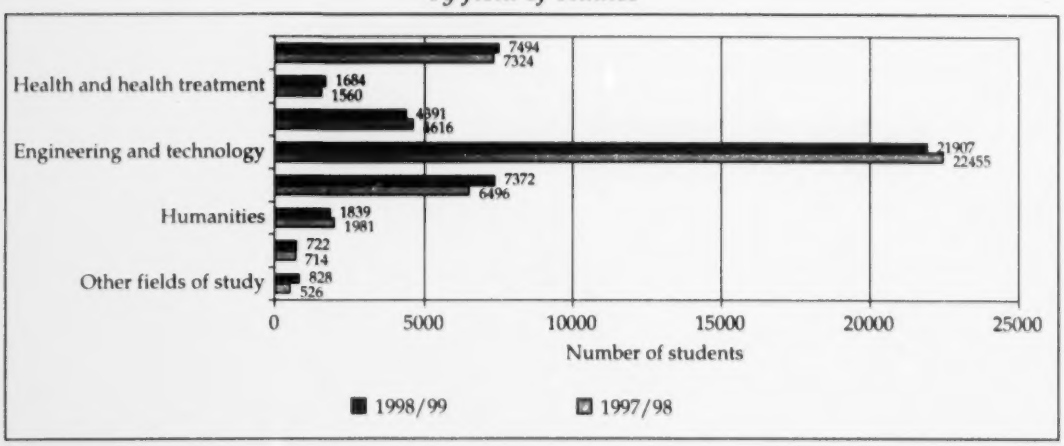
Code	Field of studies (according to the National Classification of Education)	1997/98		1998/99	
		New enrollees	Total enrolment	New enrollees	Total enrolment
5	**Engineering and technology**				
52	Craft and industrial programmes	7203	17333	7258	17997
53	Engineering	1472	5122	1174	3910
6	**Agriculture**				
62	Agriculture, forestry and fishery	1563	4449	1447	4244
64	Veterinary sciences	56	167	36	147
7	**Health and health treatment**				
72	Treatment, dentistry and pharmacy	201	335	201	333
74	Health and social care	671	1225	769	1351
8	**Services**				
81	Home economics programmes with emphasis on cooking and serving food	2264	5750	2079	5406
84	Transport programmes	258	247	408	895
88	Other services	650	1327	564	1193
9	**Other thematic groups**				
91	Civil security and military programmes	267	526	286	784

There are about 300 vocational education programmes available in Latvia. A breakdown of students by field of studies in 1998/99, shows that 47% of students availed of engineering and technology programmes, 16% availed of services or social sciences programmes, and 9% availed of agriculture programmes.

Figure 2.12 Breakdown of students of vocational education institutions by field of studies



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The breakdown of students by field of studies continues to change. The numbers of students in services, health and health treatment and social sciences programmes has increased but has decreased in engineering and technology, agriculture and humanities programmes, compared to the previous year.

Data on students relating to duration of studies show that 48.1% of vocational education and training students who enrolled after the 9th grade chose programmes of 3.5-4 years duration while 35.8% opted for two-year programmes. Fifty-four percent of students who enrolled after the 12th grade selected programmes of 1.5-2 years' duration and 37.3% chose 2.4-3 year programmes.

Figure 2.13 Percentage of students by duration of vocational education programmes (after 9th grade)

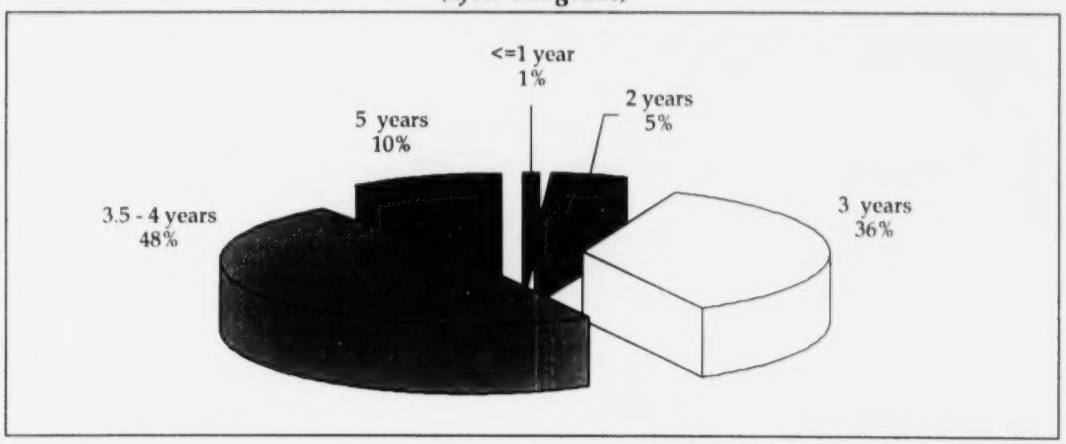
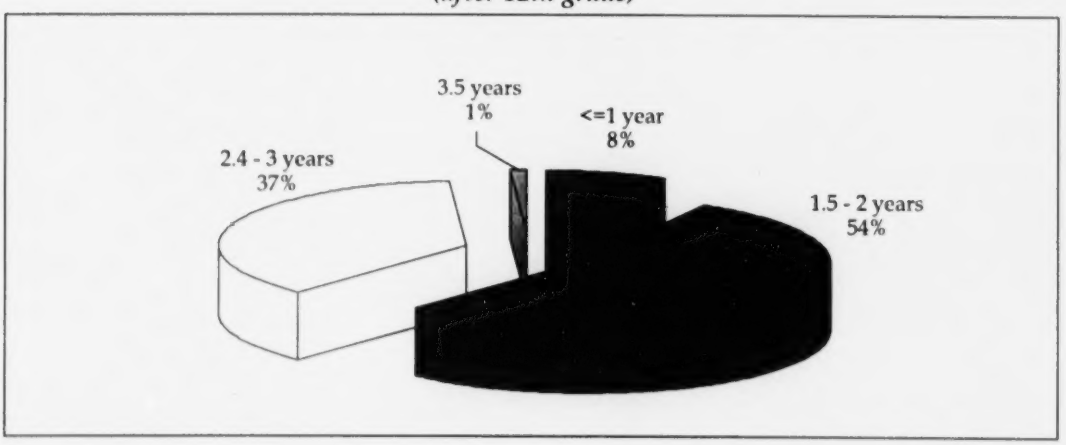
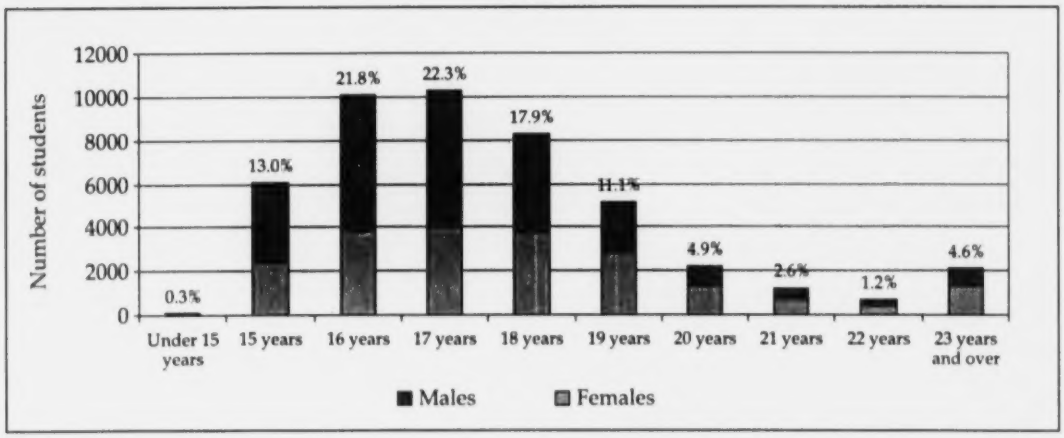


Figure 2.14 Percentage of students by duration of vocational education programmes (after 12th grade)



2.2.6 *Breakdown of students by gender and age*

Figure 2.15 Vocational education institutions: enrollment by gender and age, 1998/1999

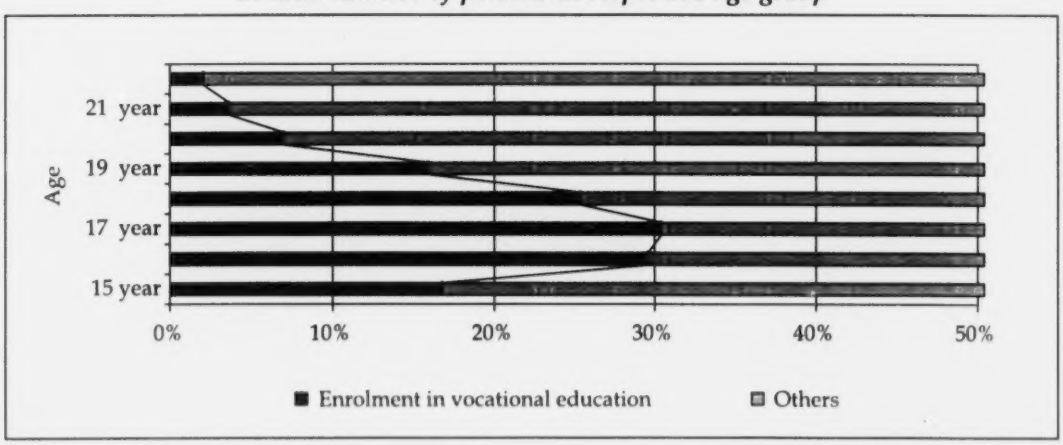


Most students (86.1%) in vocational education institutions are 15-19 years old.

There are no big changes in the breakdown of students by age in 1998/99 compared to the previous year. It shows increases of 0.9 percentage points in the proportion of students who are 19 years old and 0.6 for both 18 year-olds and 22 years and over. However, there were decreases in the cases of 15 and 16 years old by 0.6 and 0.8 percentage points, respectively.

At the beginning of the 1998/99 school year, there were 25,715 men, 56% of the total, and 20,522 women, 44%, studying in vocational education institutions. Admission requirements to vocational education and training schools do not include any gender restrictions but statistics show that there are more male vocational education and training students, while more general secondary schools students are women.

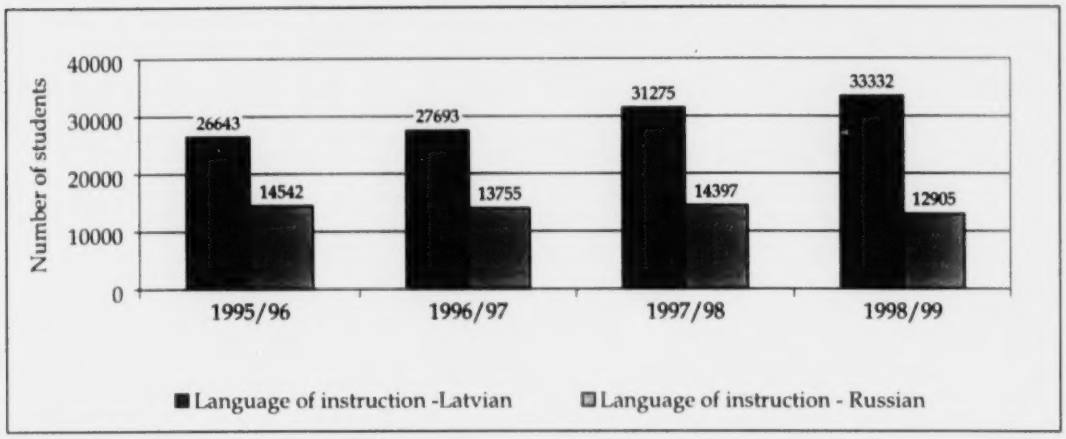
Figure 2.16 Proportion of students of vocational education institutions in total number of persons in respective age group



2.2.7 *Language of instruction*

Today professional education is carried out in two languages: Latvian and Russian. At the beginning of the 1998/99 school year, 33,332 students, 72.1% of the total, were studying in Latvian and 12,905 students, 27.9%, in Russian.

Figure 2.17 Number of students and their language of instruction in institutions of vocational education

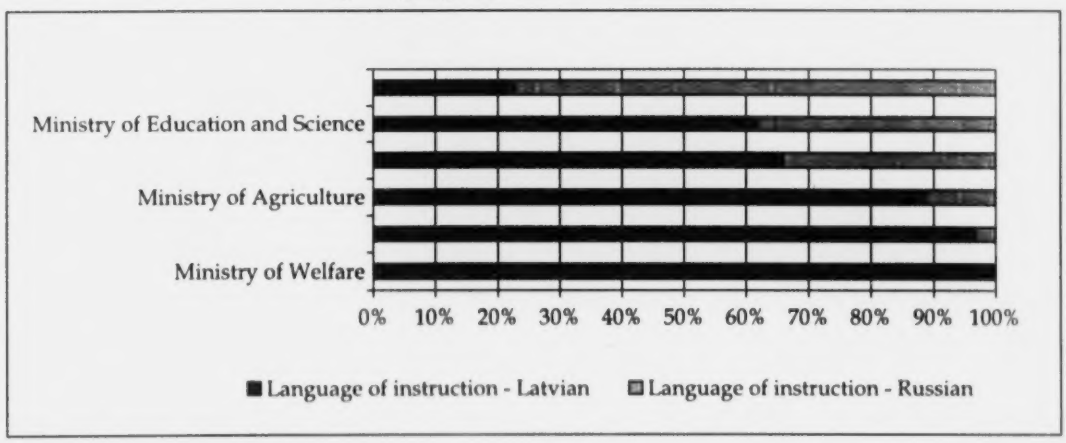


Data from the last four school years show that the proportion of students studying in Russian continues to decrease.

The situation in the vocational education institutions varies according to which ministry is in charge. It is only in vocational education institutions overseen by the Ministry of Welfare that studies are conducted entirely in Latvian. In the institutions controlled by the Ministry of Culture 49 students, 2.7% of the total, receive instruction in Russian while the number in Ministry of Agriculture schools is 1,404 students, 10.7%. The greatest number of students receiving instruction in Russian, 10,167 students, 38% of the total, are in vocational education institutions controlled by the Ministry of Education and Science.

The number of students receiving instruction in Russian at municipal vocational education and training schools is 266 (34% out of the total number) and in private schools, 585 students (77%).

Figure 2.18 Breakdown of students of vocational education institutions by language of instruction, 1998/99



Statistics for 1998/99 show that the number of students receiving instruction in Russian decreased in all vocational education institutions compared to the previous school year.

The recently adopted Law on Education envisages that state and municipal vocational education institutions will begin to provide programmes for first year students in Latvian from 1 September 2004. Vocational education programmes conducted in a language other than Latvian will be available in private education institutions.

The Law on Education also envisages that programmes for improving skills and retraining financed from state and municipal budgets should be conducted in Latvian.

2.2.8 *Teachers in vocational education*

The total teaching staff of vocational education and training institutions at beginning of 1998/99 was 5,430, a drop of 4.1% from the previous year.

Teachers in vocational education and training institutions have traditionally been specialists with secondary special or higher education in the appropriate vocational field. In 1998/99, 74.5% of pedagogical staff had higher or comparable education, 20.9% had vocational secondary education and 4.6% had general secondary education. More than half, 55%, had pedagogical education.

Statistics from the last four years show an increase in the number of teachers with higher and pedagogical education working in vocational education institutions.

Table 2.3 Level of education of teaching staff in vocational education and training schools in school year 1998/99

Education	Number of teachers	Percentage
TOTAL	**5430**	**100%**
HAVING HIGHER AND COMPARABLE EDUCATION	4046	74.5%
of these, higher pedagogical	2314	42.6%
of these, having followed other kinds of pedagogical programmes (more than 320 hours)	509	9.4%
HAVING SECONDARY EDUCATION	1384	25.5%
out of them having secondary pedagogical education or having acquired other kind of pedagogical programmes (more than 320 hours)	165	3.0%

Statistical data show that 52% of the teaching staff in vocational education institutions are 30-49 years old, 14% are under 30 years, 23% are 50-59 years old, and 11% are aged 60 years and over.

In 1998/99, the number of teachers aged 50-59 years has increased by 9% and the number aged 60 and over has decreased by 6% compared to 1995/96.

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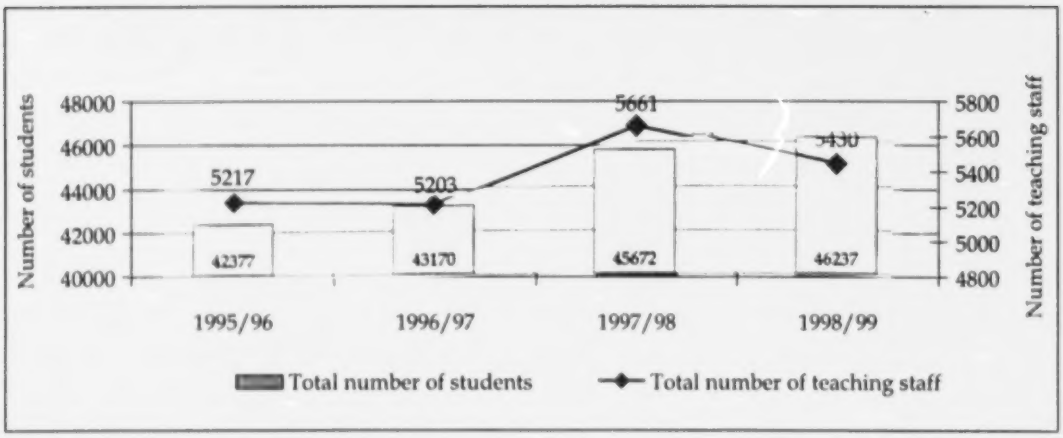
2.2.9 *Student/teacher ratio*

Figure 2.19 Number of students and teaching staff in vocational institutions

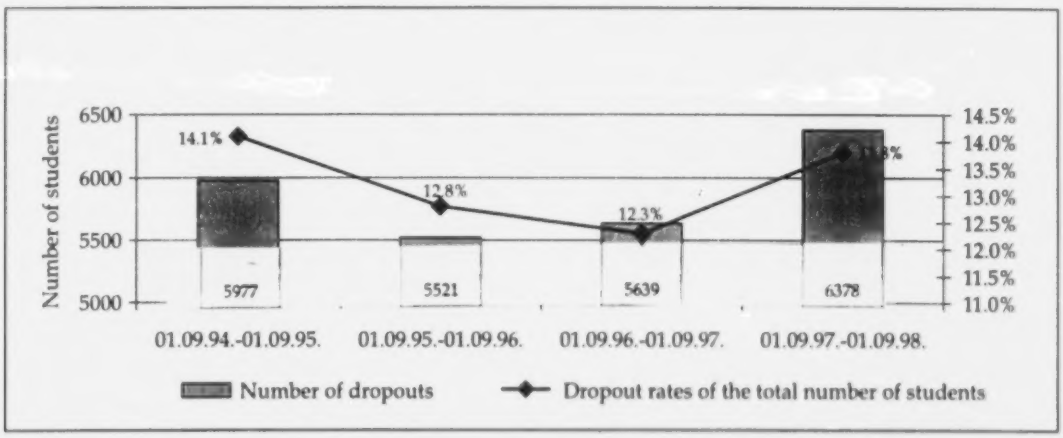


In the 1997/98 school year, the ratio between vocational education and training students and teaching staff was 7.5, and in the 1998/99 in school year this had declined to 5.45. The student teacher ratio varies depending on the type of school: 1.9 in Ministry of Culture schools, 4.3 in Ministry of Welfare schools and 6.9 in Ministry of Education and Science schools.

2.2.10 *Dropouts*

Quite a large percentage of students drop out before graduating every year. From 1 September 1997 to 1 September 1998 dropouts from vocational education and training schools were 6378 (13.8% of the total number of students).

Figure 2.20 Dropout rate from institutions of vocational education



Data from the last four years shows that between 12% and 14% dropped out. Between September 1997 and September 1998, the number of dropouts increased by 739 students or 1.5% compared to the previous year.

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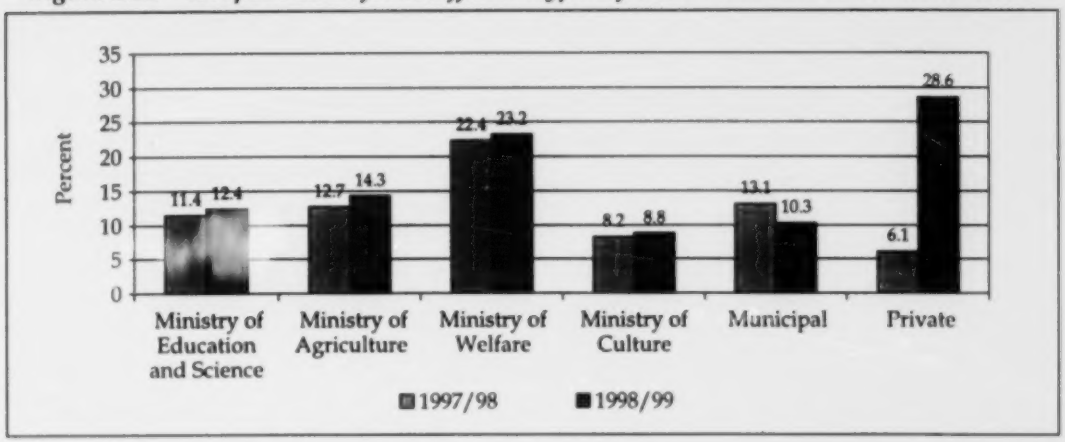
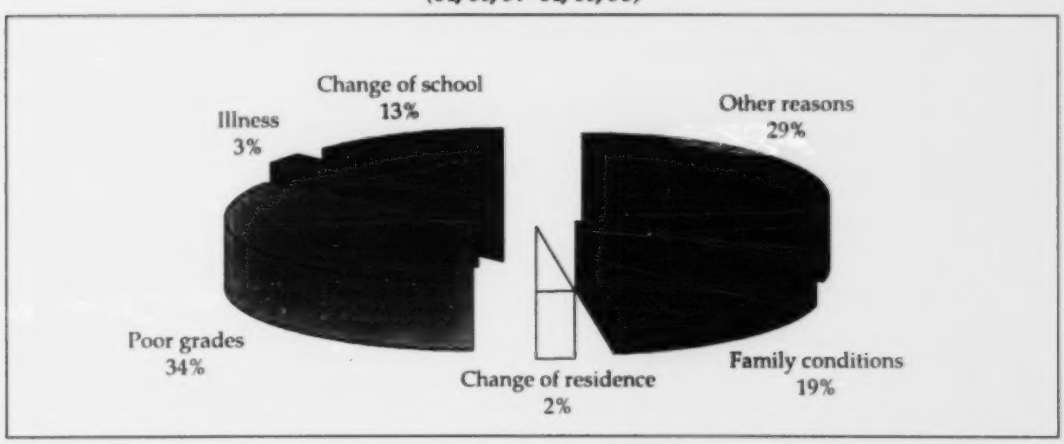
Figure 2.21 Dropout rates from different types of vocational education institutions



Statistics show that the dropout rate varies very widely between different vocational education institutions. Dropouts are most prevalent in schools controlled by the Ministry of Welfare and in private schools while the lowest dropout rate is in schools controlled by the Ministry of Culture.

Seventy-seven per cent of dropouts were students who entered vocational education and training schools after the 9th grade and 19.8% were students who entered vocational education and training schools after the12th grade. About half, 49.2%, of all dropouts were in their first year of studies.

Figure 2.22 Breakdown of dropouts by reasons (01/09/97-01/09/98)



A breakdown of the causes of dropping out shows that poor grades accounted for 34.2%, family reasons for 19% and change of school for 13.1%.

Those in the latter segment are continuing their education but there are no data available on the subsequent fortunes of other dropouts.

2.2.11 *Remedial education in vocational schools*

There is a need for remedial education classes at vocational schools for those students who have not acquired a primary education. These students could acquire both a qualification and a certificate of basic education.

In 1997, the Vocational Education Development Department of the Ministry of Education and Science sanctioned pilot classes in two vocational schools for remedial education and social skills classes for students of metalworking, cookery, mechanics and arc welding. For several years now the Daugavpils Training and Manufacturing Centre in cooperation with the Daugavpils Municipal Government has provided remedial education for students in the metalworking and wood processing profiles. The Daugavpils district lies in the economically depressed region of Latgale.

The 1997 enrolment plan provided for the enrolment of 10 groups totalling 250 students and the 1998 plan for 9 groups totalling 225 students.

Students enrolling in these groups consist of equal numbers of those who have completed only the 6th, 7th or 8th grade or who failed several subjects in their final year of primary school.

Vocational schools are developing training programmes to allow students to complete their basic education and acquire a profession in three years. Schools are also developing experimental general education programmes according to guidelines set for evening school basic education courses.

Around 80% of students are from needy families and their only means of subsistence is the student stipend of LVL 8.5 per month. Some 16% of students are orphaned. Instruction for these groups is provided in both the Latvian and Russian languages.

School directors deal with student recruitment and enrolment in cooperation with local governments which send students from their areas to attend such classes.

Remedial education is currently available to students in the following subjects: metalwork, cookery, mechanics, arc welding, sewing, carpentry, assembly mechanics, tailoring and joinery.

A total of 873 students are attending remedial education groups, of which 604 are attending vocational schools of the Ministry of Education and Science. This represents only about 10% of the number of students requiring remedial education.

Vocational schools of the Ministry of Agriculture also provide remedial education classes for 269 students with an incomplete basic education, or who completed studies in a special school. Students from special schools' have particular problems in continuing their education, because vocational schools do not usually enrol students with such an educational background. These students suffer from educational neglect and are usually from dysfunctional families. They have not developed logical thought patterns and are excitable, unbalanced and disobedient. A special approach and much individual work are required with these students, as with students of special schools.

There is no national action plan for remedial education and major legislative gaps exist in this area.

The work of state and local institutions and the various social services and organisations is uncoordinated. There is a need to coordinate the functions of state and local institutions and non-governmental organisations so that students can be guaranteed medical care and food.

Those students from needy families or who are not in the care of their parents must be provided with clothing and the necessary school supplies.

Education establishments have too few student counsellors and school psychologists. To deal with the issue of problem children, vocational schools must take steps to establish in-school counselling. To this end, staffing levels must be raised and the portion of the subsidy allocated to teaching staff

salaries must also be increased. Given that the training of school counsellors has just recently begun, counselling should be gradually introduced as trained staff becomes available. When these steps are taken, the establishment of corrective groups will encourage the socialisation of problem children. Such students who have difficulty in acquiring a basic education will acquire vocational skills and become competitive in the labour market, thus reducing the national crime rate.

2.2.12 *Vocational schools within prisons*

Since the Soviet era there have been vocational schools in Latvian prisons. Convicts continue to have serious difficulties in finding employment after completing their sentences. The number of inmates of correctional facilities in 1998 was 5,848. Of these, 13% were aged 14 -18 and 27.3% aged 19 - 24 (Table 2.1).

Table 2.4 Convicted persons distributed according to age in 1998

Total convicts	14 - 17	18 - 24	25 - 29	30 – 49	50 and older
100%	13,0%	27,3%	17,0%	36,6%	6,1%

The number of inmates of initial education age pursuing initial education is 40.3% of the total. There are currently vocational schools in only two prisons, Vocational School No 105 in the Jelgava Prison (117 students in the 1997/98 school year) and Vocational School No 109 in the Jekabpils Prison (78 students in the 1997/98 school year), serving only about 8.3% of those inmates who should be pursuing initial education. The schools offer one-year technical programmes for lighting electricians, turners, boiler operators, arc welders, electronics assemblers, plumbers and gas welders.

2.2.13 *Vocational education for the disabled*

The State Rehabilitation Centre offers programmes for physically disabled persons with basic and secondary education. There are approximately 300 per year of these, mostly business and computer orientated programmes.

The school offers full time and distance learning and also provides two-week professional aptitude courses. The State Employment Service also provides limited training for disabled people.

2.3 *Adaptation of vocational education and training to labour market and socio-economic changes*

2.3.1 *General aspects*

Vocational education and training reform is aimed at a self-adapting vocational training system that corresponds to labour market needs and ensures an opportunity for the population at large to acquire knowledge and skills according to their lifelong needs and interests.

Three steps are necessary to achieve this objective.

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Firstly, a common policy framework should be created at the state level for the formulation and implementation of reform policies. At present the Law on Professional Education has been adopted by Parliament and further work is necessary to draft the appropriate implementing acts.

Second, an active and autonomous cooperation system should be jointly created by the vocational education sector and the labour market, operating on a tripartite basis and involving educators, committees representing different labour market branches and employees' representatives. The Tripartite Council of Professional Education commenced operation 1999.

Third, an effective and flexible system of vocational education and training management should be created. Such a system would be central to achieving the goals of national vocational education and labour force training.

Implementation of the reform requires several substantial changes in the existing vocational education system.

Institutional reform

Several ministries are responsible for developing state education policies and strategies as well as administration of the state-funded vocational education institutions. In many cases this hinders the adoption of common decisions. Administrative barriers between the branches contribute to the disunity of the vocational training system and don't facilitate the effective use of funds. To overcome these problems it will be necessary to adopt a unified vocational education administration model and speed up the work of the Tripartite Professional Education Council. This should concentrate on studies of labour market development trends and labour force demand, setting vocational education and training standards and devising curricula, and improving the vocational education quality assessment system.

Reform of the network of vocational education and training institutions

Latvia has quite a wide network of vocational education and training institutions with a relatively small number of students. However, maintaining small schools raises the costs of vocational education and training in the state at large, it limits the variety of programmes on offer to students in a single institution and it also makes it difficult to ensure that the working time of teaching staff is fully occupied. Furthermore the legislation allows each line ministry to plan and maintain its own institutional network and to choose the programmes it offers, resulting in a lack of coordination among the other vocational education and training programmes in the regions. These problems could be overcome by unified and coordinated management of the institutional network and maximising the efficiency of vocational education and training institutions. Maximising efficiency will involve transferring control of individual vocational education and training institutions to local governments, merging or closing vocational education and training schools with very low student numbers and transforming specialised secondary education institutions into colleges providing first-cycle higher professional education.

Vocational education and training programme reform

Vocational education and training programmes have traditionally been oriented towards acquiring qualifications that are too narrow and specialised. Furthermore, the quality of vocational education and training provision does not always meet labour market requirements. A common system of vocational education and training standards should be implemented in order to improve matters.

Reform of vocational education and training quality assurance

At present the general rules envisage each individual vocational education and training institution organising qualification examinations, although only a few institutions have the necessary technical support and modern equipment to do so. This makes it difficult to harmonise graduates' qualifications with labour market requirements. So long as there are substantial differences between the level of different vocational education and training schools in relation to teachers' expertise and technical resources, examination requirements can vary between institutions, especially between institutions aimed at different target groups, such as initial training, continuing training and unemployment training. Possible solutions to these problems are:

- adopting common requirements and uniform methodologies in vocational education and training quality assurance, regardless of the manner of their establishment or source of funding;
- creating an infrastructure for licensing and accreditation of vocational education and training institutions and programmes and ensuring its effective functioning; and
- establishing a network of regional and branch training and examination centres and introducing a system of centralised vocational qualification examinations.

Reform of teacher continuing training in vocational education and training

Traditionally in Latvia, specialists with a higher or a secondary specialised education in their particular fields work as teachers and trainers in vocational education. As yet there is no system to enable these teachers to acquire the necessary pedagogical knowledge and skills. Under the terms of the Law on Education, such persons will no longer be allowed to work in schools. It is planned to create a short-cycle pedagogical education programme for education and training teachers with non-pedagogical education of different levels. It will also be necessary to establish a network of institutions carrying out programmes in vocational pedagogy which would enable vocational education and training teachers to acquire the necessary pedagogical qualification within four years.

Reform of vocational education and training financing

It is necessary to create a contemporary model of vocational education and training financing which would include indicators of vocational education and training spending and the methods of their calculation, as well as mechanisms for resource allocation and control.

Curriculum development

The most important investment in curriculum development was made within the Phare programmes. Under the Phare Vocational Education and Training Reform programme (Chapter 8) the 10 occupation areas and 5 new compulsory general subjects for curriculum development were selected. Also within the framework of the Business Education Reform in Latvia programme, 6 occupational areas were chosen for curriculum development. In Latvia, the curriculum development programme started by defining a national curriculum framework, to be followed by different curriculum development groups. It is believed that initial vocational education and training education should be a broad youth education designed to enable young people to learn not only practical skills but also general subjects.

The institution responsible for curriculum development and quality assessment is the Vocational Education Centre under the Ministry of Education and Science. In 1998, within the Phare Higher Vocational Education Reform programme (Chapter 8), and with the involvement of the Vocational Education Innovation Centre in the Netherlands and the Vocational Education Centre in Slovenia the existing Vocational Education Centre was assessed and proposals for improvement were made.

The Centre has now drawn up a strategic plan for the next 5 years, which focuses mainly on curriculum development, quality assurance through licensing and accreditation, and information.

College education

The new Law on Vocational Education makes provision for first level higher professional education or 'college' education. Before the adoption of this Law, this type of education was only available in some universities.

College level vocational education programmes which lead to level IV vocational qualifications have become an important issue in Latvia in recent years. The Phare Reform of Higher Professional Education project (Chapter 8), deals with this issue, while several discussions and seminars were organised to discuss non-university professional education and its relationship with academic higher education, as well as the involvement of employers in non-university professional education.

The new law on vocational education does not provide for the former secondary specialised education institutions known as 'tehnikums'. Existing schools should decide, based on their competencies and capabilities, to offer secondary vocational education programmes or first level higher professional education programmes. The process is already under way, but it is probably too early to predict the future development of such programmes.

Comparability and transparency of vocational education and training

The national classification of professions is drawn up on the basis of the International System of Classification of Occupations 1988. In accordance with the structure of levels of professional qualifications established in line with the European Union system for the evaluation of professional qualifications, five levels of professional qualification have been established in the Latvian education system (see Annex):

- **level 1** is a qualification based on theoretical and practical training to perform simple tasks in a particular sphere of practical activity;
- **level 2** is a qualification based on theoretical and practical training to independently perform skilled work in a trade;
- **level 3** is a qualification based on advanced theoretical training that enables a trade specialist to organise and plan work;
- **level 4** is a qualification based on theoretical and practical training which enables a trade specialist to organise and manage the work of other specialists; and
- **level 5** is the highest specialist qualification in a particular industry that also facilitates scientific work.

Reform of the vocational education and training funding system

Reform of the vocational education and training funding system was carried out by the Ministry of Education and Science within the Phare Vocational Education and Training 2000 programme (Chapter 8).

The new vocational education and training funding system will primarily seek to improve the efficiency and transparency of the system by developing a formula-based per capita funding system with increased discretion at the school level on the use of budgets and resources. The training of vocational education and training schools' directors and financial managers is also envisaged in the project.

2.3.2 *Special aspects*

Employment of graduates

The employment rate of graduates is one of the most important indicators for evaluating the quality of education programmes.

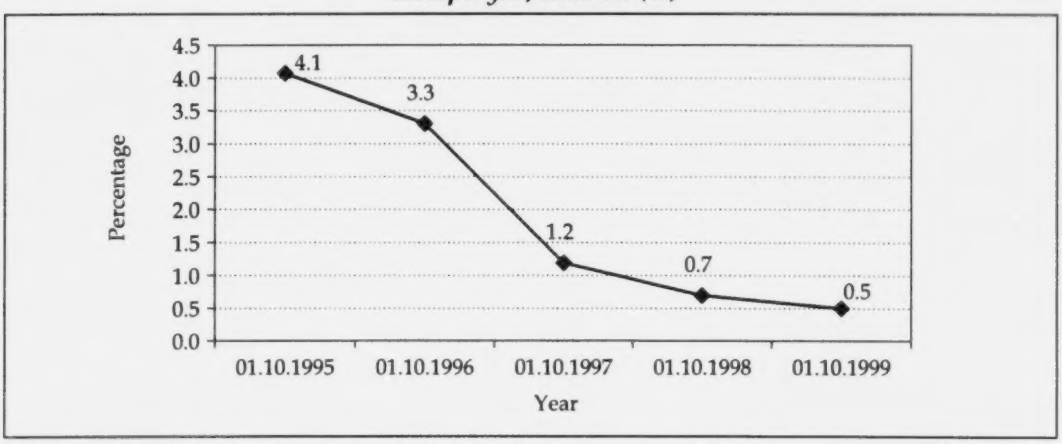
There can be several reasons for graduate unemployment, including:

- the lack of job opportunities in a region;
- the high number of graduates in a particular speciality in the local labour market;
- lack of correspondence between the content of education programmes and labour market requirements; and
- the failure of education institutions to provide the appropriate training programmes.

On 1 October 1999, 114,296 unemployed persons were registered by the State Employment Service, of which 552 were state and municipal[1] vocational education and training school graduates from 1998/99. This represents 0.5% of the total number of unemployed persons. This represented a decline of 19%, compared to 01 October 1998.

State Employment Service data for the last five years show that the number of unemployed graduates of vocational education and training schools is decreasing each year (see diagram). Nevertheless, it should be noted that the difference between 1996 and 1997 is influenced by changes in legislation.

Figure 2.23 Vocational education and training school graduates registered as unemployed, 1995-99 (%)

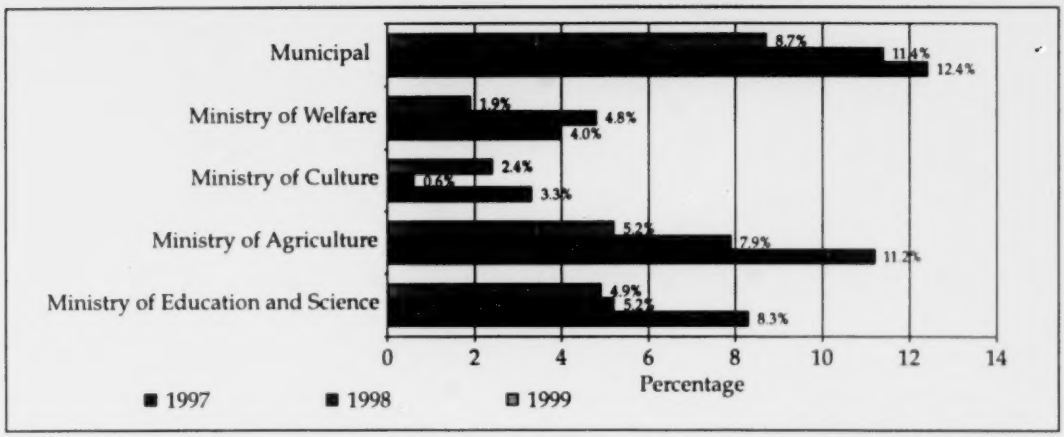


Analysis of the breakdown of unemployed vocational education and training school graduates by place of residence shows that the majority resides in districts with the highest level of unemployment. Data available show that the greatest number of unemployed graduates, 124 persons, is found in Daugavpils and surrounding district. This represents 22.5% of the total number of registered unemployed graduates.

A breakdown of unemployed graduates by school authority shows that the biggest proportion of unemployed graduates, 8.7% of the total, is from municipal schools. Five point two per cent are from schools under the authority of Ministry of Agriculture, 4.9% from Ministry of Education and Science schools, 1.9% from Ministry of Welfare schools and 2.4% from Ministry of Culture schools.

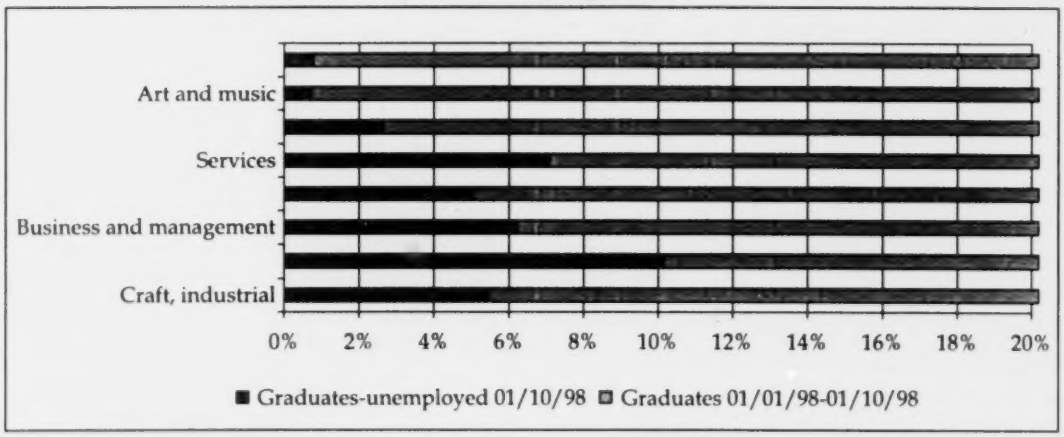
1 Data on private vocational education institutions are not included

Figure 2.24 Share of registered unemployed vocational education and training school graduates of the total number of graduates, by vocational education institution authority



The proportion of unemployed graduates registered on 1 October 1999 has decreased in vocational education and training schools governed by ministries other than the Ministry of Culture, compared to previous years.

Figure 2.25 Proportion of unemployed graduates in total graduates, broken down by education programme



A breakdown of unemployed vocational education and training school graduates by education programme shows that the largest proportion of unemployed graduates is in agriculture, accountancy, cookery, tailoring and secretarial programmes.

Data from the State Employment Service are the only source of information about vocational education and training school graduates' transition from school to work. Unfortunately, it is difficult to assess the strengths and weaknesses of vocational education and training based on these data and there is no data concerning graduates working in professions related to their studies or about the reasons for unemployment.

Educators lack information about graduates' transition from school to work and whether graduates' skills and education meet labour market requirements. Nevertheless some job vacancies are registered with employment services, some of which correspond to graduates' skills.

The main reasons why vacancies advertised by employers are not filled are:

- unwillingness to work for the minimum wage;
- the too low rate of pay offered where a broad spectrum of skills is required in jobs such as 'purchasing agent/driver with good foreign language skills';
- little or no practical work experience;
- lack of experience in the particular area of work; and
- inability of employers to meet salary requirements.

The National Observatory analysed the situation in vocational education and training in 26 districts and in the 7 biggest towns as it pertains to regional development. The Table 'New enrollees in vocational education and training by previous place of residence' (see Annex) shows how the choice of education institution is influenced by place of residence and helps to assess the readiness of students to move from their local district to acquire vocational education as well as how many students study in their home town or district.

This poses the questions of whether all trained specialists will be needed in one district or whether they will be ready to relocate in order to work in their field, and whether providers of vocational education take account of regional labour market requirements.

Analysis of the position of vocational education and training school graduates in the labour market indicates the following trends:

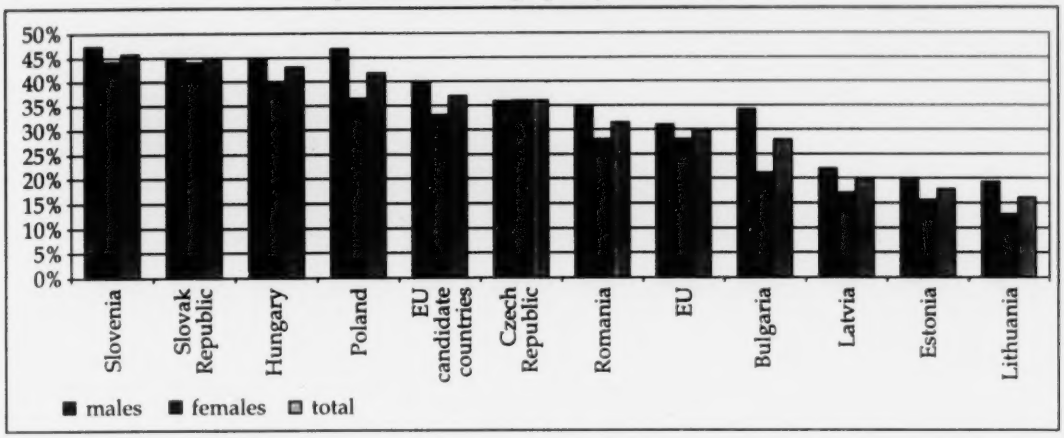
- graduates of secondary professional education encounter difficulties in finding jobs, some more than others;
- many vocational education and training graduates do not find work related to their specialism; and
- in order to find a job, many of the graduates of professional schools require further education in the acquired specialism and computer skills and/or foreign languages are also required.

Difficulties in finding a job after graduating arise because students usually choose a school close to home without assessing job prospects after graduating. The fact that some professional education institutions have a higher percentage of unemployed graduates does not mean that there have been mistakes in siting vocational schools. Rather it can be attributed to the inflexibility of training programmes.

Professional guidance and counselling

Professional guidance and counselling services play a major role in any developed society, especially in times of rapid economic and social changes. According to European Training Foundation data, the involvement of young people in vocational education and training in Latvia is the third lowest among the Central and Eastern European countries. This reflects the relatively low popularity of vocational education and training among young people.

Figure 2.26 Participation rates in vocational education and training for the 14-19 age group, 1998 (%)



The statistical data regarding dropouts, reasons for dropping out, and the registered breakdown of registered unemployment by education (see above) show that some young people choose professions and education programmes for which they have no aptitude.

State Employment Service data show that a growing proportion of such unemployed persons has a basic education or an incomplete basic education. The proportion of such unemployed persons was 20.1 % at the end of 1992 but it had reached 23.9% by the end of 1998. The proportion of such unemployed persons with a general secondary education was 30.7% at the end of 1992 and 31.3% by the end of 1998. Data regarding the age of the unemployed show that the percentage of unemployed young people aged 15 to 19 years was 3.6% or 4,010 persons, while the percentage of those aged 20 to 24 years was 12.7% or 14,145 persons.

As can be seen, young people encounter great difficulties in finding jobs and a system of career guidance and counselling is urgently needed. Hitherto, this has largely been left to the schools themselves to organise activities to the best of their abilities.

The general education curricula include a subject relating to careers, which delivers basic knowledge regarding career planning and the labour market. This topic should be addressed through the subjects 'Introduction to business' at the 8th grade and in 'Civics' at 9th grade, which are taught one hour per week. However, the content of these courses is insufficient to fulfil the tasks of vocational guidance and counselling.

The model curriculum of general education schools states that the choice of professional career should be dealt with in after-school hours. However, it is not specified how much time should be devoted to this topic, nor the points to be discussed.

The system in the general education schools is ineffective and does not provide enough professional career guidance and counselling to young people.

A centre of career counselling exists under the auspices of the Ministry of Welfare which offers consultations on the choice of further education and professional career as well as information about education institutions and programmes. The Career Counselling Centre is located in Riga and has branches in Daugavpils, Liepāja, Livani, Rēzekne and Valmiera.

In 1998, the Career Counselling Centre provided services to 9,174 students graduating from either basic or upper secondary education, or 19 % of the total number of students at grades 9 and 12. However, the current resources of the centre are insufficient to provide guidance and counselling to all school-leavers.

The services provided by the Career Counselling Centre to students in the year before graduation are free of charge. However, the use of these services is not compulsory but is a matter for students and their parents.

Professional guidance and counselling is currently regulated by the following legislation:

- the Law on Employment, which states that professional guidance is one of the main tasks of the State Employment Service;
- the Law on Education, which sets out the role of local and district administrations in ensuring the provision of professional guidance; and
- the Law on Professional Education which sets out the competencies of the Ministry of Education and Science and of the professional education support institutions in professional guidance.

While several laws refer to professional guidance, a joint system of professional orientation that clearly determines the place and role of each participating institution is lacking.

Given the interest of educators in the appropriate and timely professional orientation of young people, a strategy should be drawn up for professional guidance and counselling within the education sector.

Vocational education and training teachers' training

The teacher training system makes no specific provision for vocational education and training teachers. Teacher training is delivered

- through the university sector;
- as part of different international projects which are oriented towards raising the quality of teacher training as well as towards the teaching of integrated subjects; and
- through upgrading of teachers' qualification in various non-diploma courses.

There are no programmes for the initial training of vocational education and training teachers. The only programmes are for the training of general subject teachers, primary school teachers, music or arts teachers and physical education teachers. The teaching staff of vocational education and training schools usually receive training in either the appropriate vocational field (higher or secondary vocational education) or pedagogy (higher education).

A major flaw in vocational teacher/trainer training is that it does not encompass the work environment. As a result, teachers have practically no opportunities for in-service training at business enterprises nor any opportunities to work with the newest technologies.

Teachers of vocational subjects at vocational education and training schools usually have either higher or secondary vocational education in the appropriate field. In many cases they lack a pedagogical education. Teachers of general subjects, for their part, usually have a pedagogical education, but their training is not related to the appropriate vocational field.

Several higher education institutions offer further education programmes for those teachers who already have a higher education. Such programmes include general pedagogy, pedagogical psychology, education philosophy, contents of subjects to be taught at school, teaching methods and didactics. Most programmes require a tuition fee which not everyone can afford. However, a Teachers' Further Education Fund has been established, to which teachers can apply for part payment of tuition fees.

Shorter further education courses for teachers are offered both by universities and by other kinds of institution, including:

- further education support centres, such as the Professional Education Centres; and
- international organisations and programmes, such as the Tempus and Phare Programmes, the British Council, bilateral assistance projects sponsored by the German and Danish Ministries of Education, Canadian College Association, and Nordic-Baltic cooperation projects.

Since programmes for the training of vocational education and training teachers are not separate from other teacher training programmes, it is not possible to provide any statistical data regarding specifically vocational teacher training.

An analysis of the number of teachers availing of training programmes showed that 47% of all teachers interviewed availed of the opportunity of qualification upgrading (Latvian National Observatory).

The main institutions for qualification upgrading are (data given as percentage of all teaching staff who participated in qualification upgrading):

- the Professional Education centre, 28.5% (1995-1997);
- the Chamber of Crafts, 17.7% (1993-1997);
- the Riga Technical University, 9.3% (1994-1997);
- the Institute for Educational development of the Ministry of Education and Science, 5.8% (1993-1997);
- foreign institutions (as part of different projects and programmes), 6% (1993-1997);
- the University of Latvia, 4.6% (1993-1997);
- the Daugavpils Pedagogical University, 2.8% (1993-1997);
- School Boards, 1.9% (1993-1997);
- the Latvian University of Agriculture, 1.4% (1996-1997);
- the Jugla Crafts School, 1.2% (1996-1997); and
- the Liepāja Pedagogical Academy, 1.1% (1995-1997).

Schools differ to a great extent regarding teachers' qualification upgrading. There are some vocational education and training schools where most teaching staff avail of the opportunity to upgrade their qualification, while in some other schools very few teachers do so. This seems to depend greatly on the attitude of individual school headmasters towards the qualification upgrading of their teachers.

Vocational education and training institutions usually choose the nearest institution for staff qualification upgrading. The teachers from schools located in Riga attend institutions in Riga, teachers from the Latgale region usually attend courses at Daugavpils (mainly at Daugavpils Pedagogical University), while the Liepāja Pedagogical Academy serves as the centre for teacher upgrading in Liepāja region and beyond.

The most popular institution for vocational education and training teacher qualification upgrading is the Professional Education Centre, which offers different courses specially tailored for teachers from vocational education and training schools. The courses range from school management, human resources management and psychology to new teaching methods and modern technologies.

The courses organised by the Chamber of Crafts are especially popular among those vocational education and training teachers who either have a non-pedagogical higher education or a secondary vocational education. The reason for this is that, under Ministry of Education and Science rules, those who complete the courses of the Chamber of Crafts with a master qualification in their speciality are paid at the same rate as teachers and trainers with higher education.

The main factors hindering vocational education and training teacher training are the following:

- the lack of a short- and long-term strategy at state level;
- the failure to recognise that training of vocational teachers needs to be organised separately and following its own specific needs; and
- insufficient funding of the education system at large and of teacher training in particular.

The only international assistance project that is fully devoted to vocational teacher training is the DELATE project, in which the Danish partner organisation is the Danish Vocational Teacher Training Institute. As part of this project, the first attempt was made to draw up teacher training programmes specifically for vocational teachers. In 1997, the first stage of the project was successfully completed presenting a concept and a curriculum for the pedagogical training of vocational education and training teachers.

The intention was to start pedagogical training of teachers from vocational schools, in January 1998, at five higher education institutions: Riga Technical University, Latvian University of Agriculture, Riga Higher School of Pedagogys and School Management, Liepāja Pedagogical Academy and Rēzekne Higher Education Institution.

After a delay due to a shortage of funds the project got under way at four of the higher education institutions involving around 250 vocational education and training school teachers who lacked pedagogical training. The scope of the DELATE project has widened and has been integrated into the European Training Foundation project (Chapter 8). The with core issues covered by the project are:

- opening of vocational education and training schools to the world of work;
- organisational development within schools;
- training of teachers' educators;
- modernisation of teaching and learning methods; and
- teacher/trainer training network building.

Vocational teacher training was also conducted through the following Phare programmes:

- the Business Education Programme, in which 77 teachers from vocational education and training schools were trained in the period August 1996 - December 1998; and
- the Vocational Education and Training Reform Programme, in which 112 vocational education and training teachers were trained between May 1995 and December 1998.

A subprogramme concerning the formulation and dissemination of curricula and teaching aids is being carried out as a follow-up to the Phare Vocational Education and Training Reform programme. This project includes the elaboration of new teaching aids in 10 vocational subjects and 5 general subjects. Most of the work is carried out by qualified teachers who have acquired the appropriate knowledge and skills within the project over several years.

The training of headmasters is organised by the Professional Education Centre subject to available capacity and resources.

3 Human resources development

3.1 *Continuing training*

If unemployment continues to grow, the role of lifelong learning will become more important, as will retraining and acquiring new skills during working life. Problems in the coordination of vocational education and training arise mainly from weak links and poor coordination between the separate networks of vocational education and training providers for different types of vocational education and training, i.e., adult education centres, initial vocational education and training schools, State Employment Services affiliates etc.

Continuing vocational training is a part of the education process. It is designed to meet the social and economic development needs of the state and of the regions, as well as catering for citizens' needs, interests and abilities while taking account of demographic trends.

In 1995, 112,000 trainees were involved in continuing training at 136 institutions. In 1996, 100,800 people participated, in 1997, 120,900 and in 1998, more than 200,000 adults, over 19% of the economically active population, participated.

Table 3.1 Continuing training at the beginning of school year 1998/1999

	Institutions engaged in adult training, number	Programmes, number	Enrolment, number
Total	**330**	**3012**	**201910**
Of which, by field of study:			
Languages	108	513	15022
Regional development and environment	30	48	1636
Computer training	94	339	14837
Economic education	104	371	33539
Law	34	95	5834
Agriculture and forestry	49	240	14681
Psychology	49	118	5956
Pedagogic and school management	35	222	10766
Management, organisation of work	61	208	13054
Family education	34	72	4819
Interest education	39	148	2441
Social issues	15	23	988
Other programmes	128	615	78337

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An adult learning policy was approved by the Ministry of Education and Science in February 1998, which envisages solving the problems of continuing training through the following measures:

- improving the study and analysis of the overall situation in continuing training;
- taking organisational measures for the further development of continuing training;
- encouraging the further involvement of employers in continuing training;
- promoting the role of professional associations; and
- elaborating the laws regulating continuing training.

The main tasks arising from the continuing training policy are as follows:

- making it possible for every individual to supplement their education according to their needs and interests, regardless of age and standard of education;
- compensating for the defects of previous education as a result of changes in society; and
- facilitating social adaptation and integration through developing a Latvian continuing training system in accordance with worldwide recognised objectives of lifelong learning.

Continuing vocational training services in Latvia are, in the main, decentralised. Consequently, information on continuing vocational training providers is sketchy and incomplete. This report can only provide information regarding the main organisers and/or providers of continuing vocational training. These are:

- line ministries and organisations subordinated to or cooperating with them;
- employers and employers' organisations;
- trade unions;
- continuing education departments and university distance education centres;
- the State Administration School;
- municipal training centres;
- the Chamber of Crafts;
- continuing training centres;
- education institutions, organisations and associations; and
- the State Employment Service.

The flexibility of existing course programmes and the wide variety of services offered are positive features. However, information regarding the courses is scant and, at state level, there is no system of regulating the quality of these programmes. The quality of continuing training can be maintained and improved through the development of the appropriate pedagogical expertise, carrying out the assessment/accreditation of programmes and regulating the award of qualifications, where appropriate. The issue of teacher training, which plays an essential role, should be resolved through close cooperation between labour market actors and the universities, the latter having great academic and professional expertise with regard to programme development etc.

It can be concluded from the questionnaires that the obstacles to continuing vocational training improvement are:

- the lack of an accepted definition of continuing education among the different organisations and ministries involved;
- the lack of legislation and development policies regarding continuing vocational training;
- inadequate funding;
- the lack of good-quality continuing vocational training programmes in various fields; and
- the fact that trainers, or specialists engaged in training, have not acquired continuing training methodologies.

Employers in Riga and in economically developed regions pay more attention to training than do those in economically underdeveloped regions, such as the Latgale region, where active entrepreneurship is non-existent.

However, there are certain developments in train designed to improve the employment prospects of the Latvian population. For instance, the National Programme for Small and Medium-sized Enterprise Development envisages training in enterprise management, marketing, financial management, business planning and development, production and quality control.

In recent years, the number of continuing vocational training providers has grown, especially in Riga and other large cities. The wide range of courses includes initial vocational training for secretaries, welders and masseurs and continuing professional development is also available, e.g., production managers can acquire communication and teamwork skills while employees with a background in commercial education can acquire the core skills in their area of work.

One positive aspect of the development of vocational education is the establishment of the Continuing Education Development Foundation which brings together institutions and individuals active in continuing and distance education in Latvia and other countries.

In 1999, an agreement was signed between the Ministry of Education and Science of Latvia and the Continuing Education Development Foundation on cooperation in implementing continuing training strategies in the country, as well as promoting international continuing training networking.

Currently the Continuing Education Development Foundation cooperates in joint projects with various organisations in the public, non-governmental and private sectors in Latvia and internationally.

Another important aspect of the Foundation's work is to promote and broker partnership alliances within Latvia and with international partners.

Particular importance is attached to the introduction of information technology tools in continuing education and professional development. All activities of the Foundation are directed towards facilitating the European Union integration process through continuing education, professional development and networking between the education and industry/business sectors in Latvia and other countries.

3.2 *Unemployment training*

The mission of the State Employment Service is to help those who have lost their jobs to regain their self-esteem and self-confidence, to raise their professional level, as well as providing them with information on job possibilities and with skills that can assist in finding employment. Since 1998, the traditional steps to employment, such as vocational training and retraining, social employment and job seekers' clubs have been complemented by cooperation with employers. This has resulted in better information on job vacancies, which has proved useful in organising more appropriate training. The State language learning programme commenced at the end of 1998. Almost 1,000 unemployed people have acquired proficiency in the state language at the second or third level having taken part in this special programme.

The retraining and skills upgrading of several thousands of unemployed persons in the leading state vocational education and training institutions was made possible by additional funding allocated in the last quarter of 1998. The first group of unemployed persons has received European and Lloyds' Register certificates in the welding trade.

The average cost of unemployment retraining is closely related to improvements in the retraining system designed to serve the interests and prospects of unemployed persons. The retraining costs, including accommodation and transport costs, were LVL 349 per unemployed person, LVL 48 more than in 1997.

Table 3.2 Characteristics of unemployment retraining/skills upgrading

	1995	1996	1997	1998
Number of unemployed persons willing to participate in training/upgrading	13,857	16,589	15,337	24,542
Number of unemployed persons actually sent to training/ upgrading	6,339	8,847	7,988	16,602
Share of unemployed persons sent to training in the numbers of those willing to be retrained, %	45.7%	53.3%	52.1%	67.6%
Number of unemployed persons who completed the training	5,055	8,353	7,718	11,208
Share of the persons who completed training in the number of those sent to training, %	79.7%	94.4%	96.6%	67.5%
Number of unemployed persons who have found jobs after training/ upgrading	1,743	2,110	3,832	4,237
Share of unemployed persons who have found jobs in the number of those who completed training, %	34.5%	25.3%	49.7%	37.8%
Average costs of training/ upgrading per person, LVL	334	228	291	236

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In 1998, it was decided to make training more widely available outside the Riga region, with the result that a growing number of unemployed persons in the regions have completed training. The number of unemployed persons who have completed training has doubled between 1995 and 1999. In 1999, the number of unemployed persons assigned to training/skills upgrading programmes dropped by more than a third compared to 1998 (State Employment Service). However, there are still great disparities between different regions.

Seventy-one training institutions offering 685 unemployment training study programmes competed for state funding in 1998, almost twice as many as in the previous year. The most popular programmes were computer training, office work, entrepreneurship, accountancy, the Latvian language (for non-native speakers), as well as training programmes for shop assistants and car mechanics. Many long-term unemployed persons opted for a programme of social and counselling to enable them to adapt better to the labour market.

The annual reports of vocational education and training institutions show that some schools successfully cooperated with the State Employment Service, and their programmes have been used for unemployment retraining. However, there is room for improvement as Vocational Education Development Department data show that only 15% of the schools under Ministry of Education and Science supervision participate at present. Many vocational education and training institutions interested in unemployment training regularly submit their training programmes to the State Employment Service in order to compete for state-funded employment retraining. However, for a variety of reasons their applications are rarely successful.

There are indications that employers are increasingly interested in availing of the services of the State Unemployment Service in order to recruit the trained specialists they need. In this context, greater cooperation between employers and the State Employment Service is desirable.

It is planned to draw up a system of quality assessment of unemployment training, to identify a set of training quality indicators, to set up independent commissions for awarding qualifications, as well as monitoring how retrained unemployed persons find jobs.

Nine hundred unemployed persons took part in a Latvian language training programme in 1998. This is a positive development, since learning rudimentary Latvian outside the unemployment retraining system is of little help in finding a job.

The 'job seekers' clubs' programme is an employment policy initiative aimed at reducing the adverse social effects of unemployment. It encourages unemployed persons to acquire further appropriate vocational training and helps them to assess their own knowledge and skills, thereby increasing their ability to compete in the labour market and, as a result, stimulating employment throughout the country.

In 1998, state social budget funding for the job seekers' clubs was increased to LVL 250,808. Job seekers clubs have been established at all local State Employment Service offices and, in many cases, new classrooms have been equipped.

The scope of job seekers clubs' activities has widened and efficiency has increased. As a result, the number of unemployed persons who found jobs after attending job seekers club classes in 1998 is 73% more than in 1997.

The number of unemployed persons involved in vocational training courses has more than trebled compared to the previous year. Last year 652 special assignment groups were organised, mainly involving long-term unemployed persons, young people with no work experience and unemployed persons at pre-retirement age.

Major changes have taken place in the organisation of 'paid temporary socially-requested positions' (social employment). More unemployed persons want to get involved in this kind of work because increasingly it results in acquiring skills in an established trade, e.g., painting, bricklaying and woodwork. These temporary jobs improve the labour market competitiveness of unemployed persons.

Cooperation with foreign partners plays a significant role in the formation of state employment policy in Latvia. A seminar on the organisation of unemployment training and cooperation with training institutions was organised jointly with the Swedish Administration of Adult Education (AMU-International).

The current priorities of the State Employment Service are:

- organising unemployment training tailored to employers' requirements and ensuring the further employment of persons in training;
- offering training opportunities at locations close to the homes of unemployed persons; and
- ensuring the quality of training.

3.3 *Management and administrators' training*

Training in management and administration is an essential part of the education reform process, but, where vocational education and training is concerned, such training is inadequate, lacks scope and is not provided on a regular basis.

The Vocational Education Centre of the Ministry of Education and Science is responsible for school administrators' and teachers' training and assisting in the introduction of innovations in the field of vocational education and training. One-day courses and seminars for school directors and deputy directors are organised, but only sporadically.

Training for civil servants is provided by the State Administration School in its 10 regional centres. Mandatory training covers four areas, economics, law, computer skills and foreign languages. The Third National Programme for integration with the European Union sets out the functions of the State Administration School in relation to human resource development. These relate to European Union policy, legislation, technical standards and languages.

Within the framework of the Phare Vocational Education and Training 2000 programme (Chapter 8), training for Ministry of Education and Science employees will aim to raise the standards and scope of education management. Particular attention will be paid to the development of teamwork through:

- the development of team leadership skills;
- development planning;
- financial management systems and analysis; and
- needs assessment and departmental management.

As part of the Phare 2000 subprogramme, *Reform of the Vocational Education and Training Funding System*, training for school directors and finance managers will be organised to introduce a new approach to vocational education and training school finance management. Approximately 82% of state vocational education and training schools will be involved in this training.

3.4 *The prospects of further education for vocational education and training school graduates*

The National Observatory carried out a study to find out whether all vocational education and training graduates, whose diplomas qualify them for higher education, can in fact continue their studies in the appropriate field at higher education level. The study showed that in principle, such possibilities exist. However, there are no programmes at higher education level for graduates in printing, book-binding and book restoration, metal work and mechanics, textile processing, apparel production, folk arts and postal services.

Twenty-three vocational education and training institutions offer programmes in home economics and in catering but there are only a few programmes of further studies of the Latvian University of Agriculture.

Higher education business/entrepreneurship study programmes attract the greatest number of vocational education and training graduates and such programmes are most widely available. Thirty-nine vocational education and training institutions conduct enterpreneurship programmes and 16 higher education institutions provide further studies in this field. Public administration and management programmes are provided by 13 vocational education and training institutions and it is possible to continue studies in this field at 6 higher education institutions.

At secondary level, computer science can be studied at two vocational education and training institutions while four higher education institutions provide further studies. Mechanical engineering studies, provided by 12 vocational education and training schools, can be continued at five universities, while six programmes of higher education cater for electrical engineering studies provided by 14 vocational education and training schools. Students of wood processing and production at seven vocational education and training schools can continue their studies at only one higher education institution, the Latvian University of Agriculture.

In order to obtain the best possible qualifications and return on spending on education, vocational education and training graduates should consider completing their studies at third level when choosing between entry to the labour market and further studies.

4. Research on the labour market and vocational education and training

Vocational education and training research is not coordinated and, apart from the Latvian National Observatory, no organisation is specifically charged with the research of vocational education and training and the labour market. Some research has been carried out at the Institute of Economics of the Latvian Academy of Sciences, and the Institute of Philosophy and Sociology of the University of Latvia has undertaken research projects commissioned by the state and financed through the Ministry of Education and Science.

Some organisations carry out research for internal purposes. Their research is mainly concerned with economic, institutional, sociological and pedagogical studies with a practical rather than theoretical approach.

The primary overall statistical data is gathered and processed by the Central Statistics Bureau while statistics regarding officially registered unemployed persons are maintained by the State Employment Service.

The Ministry of Education and Science has some funds to commission applied research projects where the results can be directly applied to the Latvian education system. The main focus of each project is determined by the Department of Educational Strategies in cooperation with the appropriate line departments. Vocational education and training-related projects are overseen by the Vocational Education and Training Development Department. A summary of the results of these projects for the period 1995-1998 indicates that most projects are related to curricula development, guidelines for particular subjects, the development of subject content and the elaboration of student assessment methods. Most applied research projects are related to such subjects as marketing, commerce, construction and environmental science. Applied research projects contribute to curriculum development and devising teaching aids for teachers. In the period 1995-1998, 30 applied research projects in the field of vocational education and training were carried out under the auspices of the Ministry of Education and Science, 4 in 1995, 10 in 1996, 7 in 1997 and 9 in 1998.

Unfortunately, Ministry of Education and Science financing of applied research dealing with vocational education and training amounts to only 10% of the total budget. (Table 4.1).

Table 4.1 Financing of applied research within the Ministry of Education and Science

Year	Financing of applied research within the Ministry of Education and Science, LVL thousand	Financing of applied research in the field of vocational education and training within the Ministry of Education and Science, %
1998	141	15.13
1999	106	10.0

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The Latvian National Observatory was founded and financed by the European Training Foundation and its main goal is to research professional education development and links with the labour market.

Between 1996 and 1998, the National Observatory carried out 9 studies in the field of vocational education and training. Each year the National Observatory explores, analyses and codifies changes in the vocational education and training system and publishes the results in a report, *Vocational education in Latvia*. These annual reports highlight changes in vocational education and training policy, changes in vocational programmes, the student/teacher ratio, the problems of dropouts, unemployment problems, as well as the effects of international projects on vocational education and training in Latvia.

The research activities of the National Observatory are supported by the European Training Foundation and the Ministry of Education and Science of Latvia.

Apart from the National Observatory, the Institute of Economics of the Latvian Academy of Sciences and the Institute of Philosophy and Sociology of the University of Latvia, the labour market and vocational education and training are the subjects of studies by several organisations such as the Latvian Employers' Confederation, the Latvian Chamber of Commerce and Industry, and the Professional Career Centre, who carry out local surveys and studies for internal purposes. These surveys and studies help to identify and resolve problems in the relationship between vocational education and training and the market economy and the labour market.

The Vocational Education and Training Development Department, the Professional Education Centres and the Professional Education Development Agency, which carries out the Phare Vocational Education and Training Programme in Latvia, conduct more focused studies for their own use in the fields related to their activities.

The United Nations Development Programme has contributed to research on vocational education and human resource development in the Human Development Report (1997/1998), which stresses the role of the individual, the State, and the private sector in human development and the common responsibility for the development of the labour market.

Complete and comprehensive data about the labour market that could assist in decision-making in the field of vocational education and training are not available and it is unlikely that they will be in the near future. This is because there has been no census in Latvia since independence. Therefore, information about population numbers and participation in education programmes is not available.

The Labour Force Surveys carried out by the Central Statistics Bureau are very important. They enable the state to draw general conclusions and they make it possible to compare education levels in different areas. However, Central Statistics Bureau surveys are based on a small sample and do not cover all the population.

Studies on vocational education and training and the labour market are listed below.

- The report, 'Who is seeking employment in Latvia?' was jointly produced by the Latvian National Observatory and the Regional Observatory of Burgundy, France, in 1997. The report uses the data on job seekers of the 1997 Central Statistics Bureau labour market survey and the State Employment Service data on registered unemployment. It contains an analysis of unemployment and employment indicators in relation to age, gender, education, and previous work experience as well as the time spent by job seekers seeking work. It also compares the situation in urban and rural areas.
- The National Observatory published a wide-ranging study, 'Analysis of the response of the vocational education and training system to the new economic objectives in Latvia', in 1997. The

study's main purpose was to examine the relevance of vocational education to the real needs of the economically active population. The data was compiled following the inclusion of an additional page of questions from the National Observatory Network in the existing questionnaires of the Labour Force Survey conducted by the Central Statistics Bureau. Responses point to the value of the vocational education acquired in recent years and allow an estimate to be made of labour market demand for trade and professional programmes. These questions were also framed to establish the true level of retraining and identify the most popular programmes in the education market.

- In 1997, the Latvian Employers Confederation circulated two questionnaires among employers: 'Specialities and qualifications sought in the labour market', dealing with labour market demand for existing and additional specialisms; and 'Links between the labour market and the vocational education system in Latvia'.
- At the beginning of 1997, the Latvian Chamber of Commerce and Industry compiled a questionnaire seeking employers' opinions of the existing vocational education system. The questionnaire was circulated among various businesses, mainly in the textiles and clothing industry
- The Institute of Economics of the Latvian Academy of Sciences carried out a study, 'Labour market forecasts and their implications for the education system', at the request of the Ministry of Education and Science. The study contains an analysis of the labour market and employment structure in Latvia in the period from 1990 to 1996. It also contains two versions of a labour market forecast up to the year 2010. In 1997, the Institute also published a study, 'Vocational training of young people and their prospects in the labour market'. This study was mainly concerned with the prospects of vocational education and training graduates in the labour market and, accordingly, analysed the location and supply of vocational schools' students as well as the distribution of their graduates, the evolution of student numbers and the geographical location of the unemployed vocational school graduates.

5. Responsible bodies and their competencies

The 1999 Law on Professional Education lays down the following competencies of the bodies involved in vocational education and training.

The Cabinet of Ministers:

- decides the direction of state policies and strategies in vocational education and training;
- determines occupational standards;
- approves college statutes;
- sets rules for the organisation of practical training;
- sets the rules and criteria for awarding state-recognised vocational qualifications as well as the format of the documents certifying professional qualifications;
- sets the rules for recognition of foreign vocational qualifications; and
- fulfils other functions in vocational education and training set out in the Law on Professional Education and other education legislation.

The Ministry of Education and Science:

- drafts model statutes for vocational education and training institutions;
- maintains and updates the register of occupational standards;
- draws up proposals for annual spending on vocational education and training and applies to the Ministry of Finance for an appropriate share of the state budget;
- allocates state funding to vocational education and training schools and vocational education and training support institutions under the jurisdiction of the Ministry of Education and Science;
- drafts legislative documents concerned with vocational education and training and submits these to Cabinet for approval;
- organises vocational guidance and studies of labour market development trends and labour force demand; and
- fulfils other functions in vocational education and training set out in the Law on Professional Education and other education legislation.

The competencies of the other ministries involved in vocational education and training are:

- to draw up spending proposals and to request a state budget allocation to fund the institutions under their supervision;
- to allocate state funding to the training schools and training support institutions overseen by them;

- to cooperate with the Ministry of Education and Science in preparing the occupational standards and their implementation in vocational education and training quality assessment and in other vocational education and training-related issues;
- to organise, in cooperation with the Ministry of Education and Science, other governmental bodies and local governments, further training of teachers in training institutions overseen by them; and
- to cooperate with state and local government institutions, trade unions, employer organisations and other stakeholders in vocational education and training-related issues.

Local governments:

- take part in the organisation of vocational education and training;
- encourage entrepreneurship in their regions;
- cooperate with employers' organisations; and
- arrange placements for vocational education and training students institutions located in their regions.

6. Legislation - the current situation

All education-related laws are enacted by the Saeima, which also approves the State budget. Other state legislation is adopted by the Cabinet of Ministers. The Ministry of Education and Science draws up and approves all the statutory orders, statutes, guidelines etc., which are binding on all education institutions in Latvia. A number of laws and lower level legislative documents regulate vocational education and training. A substantial body of legislation concerned with vocational education and training was enacted in the academic year 1998/1999.

The following is a short inventory of the legal acts regulating vocational education and training in Latvia.

The Law On Craftsmanship, 1993, lays down the basic principles for training in crafts.

Accreditation regulations for vocational education and training institutions and programmes, 1994, set out the conditions whereby the vocational education and training institutions are entitled to issue state-recognised education certificates.

The Law On Higher Education Establishments, 1995, defines the principles of autonomy and organisation for higher education institutions.

Licensing regulations, 1997, set out the rules for private education and regulate the opening of new education institutions and programmes.

The Education Classification, 1997, approved by the Ministry of Education and Science was designed to facilitate the establishment of an information database on the education system and to ensure that the database of education statistics followed standard international conventions so that Latvian statistical data regarding education can be compared with the statistical data of other countries.

The Basic Policy Principles of Vocational Education and Training Reforms, 1998, were prepared within the framework of the Phare Vocational Education and Training Reform programme and were approved by the Ministry of Education and Science which formulates the main directions and objectives of vocational education and training reform in Latvia.

Strategic Programme for Education Development 1998-2003, 1998, approved by the Ministry of Education and Science, comprises 14 sub-programmes which cover the principal directions of education generally.

The Education Law, 1998, adopted by Parliament as a framework law to regulate the education system at large, sets out the rights and duties of the State, local governments, public organisations, professional associations, private individuals, education establishments, parents and students. This law also specifies the various branches and stages of education and the different types of education institutions.

Regulations on Curricula, 1998, approved by the Ministry of Education and Science, set out the main principles in curriculum development and approval.

Regulations on Final Examinations, 1999, approved by the Ministry of Education and Science, set out the examination procedures and the rights and responsibilities of students and their parents as well as those of education institutions and examination commissions.

The Law on General Education, 1999, adopted by Parliament, sets out the rights and responsibilities of all stakeholders in general education and regulates the organisation of the general education curriculum.

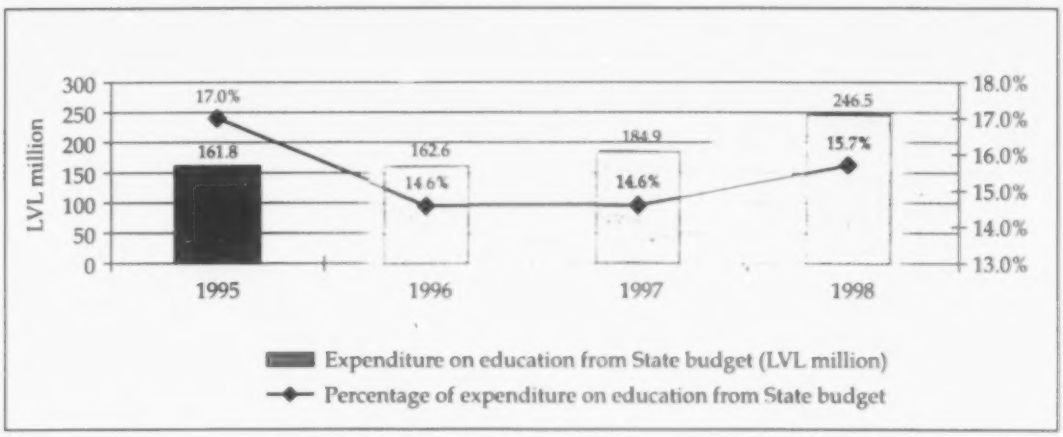
The Law on Professional Education, 1999, adopted by Parliament sets out:

- the main principles of the organisation and provision of vocational education and training and the award of qualifications;
- the responsibilities and competencies of and relations between the State, employees, employers, vocational education and training providers, teachers and students in vocational education and training;
- possible ways of providing and acquiring vocational education;
- the organisation of the vocational education and training curriculum; and
- the principles of financing vocational education and training.

7. Financing of vocational education and training and continuing training

Spending on education as a percentage of gross domestic product increased in the early 1990s, reaching just over 6% in recent years. However, both GDP and the state budget have halved since the end of the 1980s while prices have increased several times. As a result, the financing of education only covers the bare necessities.

Figure 7.1 Expenditure on education from State budget



The financing of vocational education and training in Latvia is based upon the curriculum, number of students and language groups. Education institutions are financed from state and municipal budgets, individual and legal persons, and some international foundations and programmes.

Responsibility for the institutions of higher and vocational education is divided among a variety of ministries and funding from the state budget is allocated separately to each respective ministry. The Ministry of Education and Science budget also covers the wages and social taxes for municipal vocational education and training schools as well as subsidies for private vocational education and training schools.

In 1998, total funding allocated for vocational education and training (not including finance for the municipal and private sectors of vocational education) amounted to LVL 29.07 million of which LVL 24.39 million came from the state budget.

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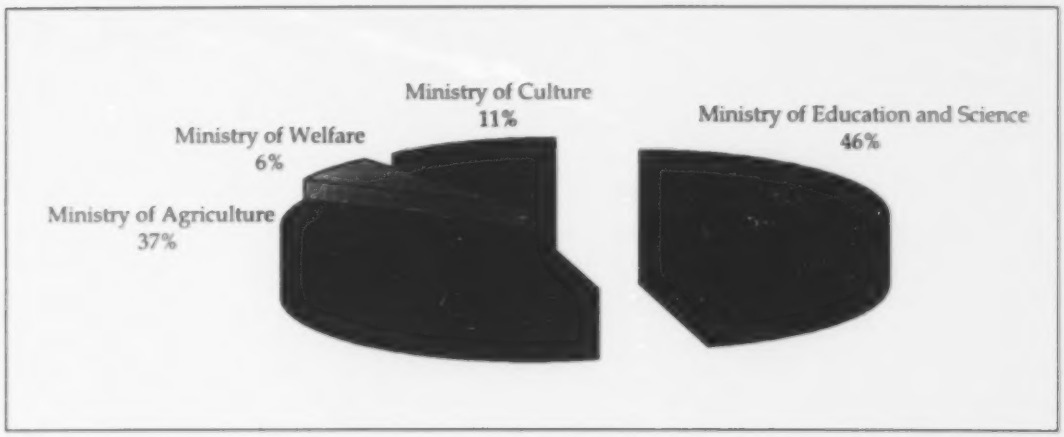
Table 7.1 Financing of vocational education in 1998

Ministry	Total budget	Of which:			
		Subsidies from general income (the State budget)		Own income	
	LVL mill.	LVL mill.	%	LVL mill.	%
Ministry of Education and Science	12.87	11.09	86.17	1.78	13.83
Ministry of Agriculture	11.64	8.95	76.89	2.69	23.11
Ministry of Welfare	1.65	1.58	95.76	0.07	4.24
Ministry of Culture	2.91	2.77	95.19	0.14	4.81
TOTAL:	29.07	24.39	83.90	4.68	16.10

Figure 7.2 Expenditure on vocational education from the State budget, 1998



Ninety-five per cent of the total budget went towards maintenance expenses – including buildings' upkeep but excluding repair works –; wages for teaching and technical staff; student scholarships; and reimbursement of travel expenses. Only 2% was allocated for the development of vocational education while 3% was spent on capital investment.

Solving the problem of vocational education and training financing has been a government priority for several years. The Ministry of Education and Science is working on changing the principles of financing vocational education and training and on increasing teachers' wages.

The state budget makes no special provision for continuing vocational training because there are no specific laws dealing with it. Funding for continuing vocational training depends to a great extent on the goodwill of organisations and institutions and on their understanding of continuing vocational training needs (Table 7.2). It also depends a lot on the ability of individuals to pay fees. Unfortunately, many people find the high costs of continuing training courses prohibitive and tuition fees paid by individuals have halved in comparison with the previous year (Table 7.2). Thus, many people are excluded from the labour market and from the possibility of professional development and this, in turn, leads to other problems. Many people lack the initiative to overcome the challenges involved in re-entering training, especially when they have to pay for themselves. The contribution of employers to continuing training increases every year (Table 7.2), reflecting their growing interest in the education of employees.

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Table 7.2 Funding of continuing training, %

	1995	1996	1997	1998
State budget	47.45	45.52	34.4	43.2
Tuition fees paid by individuals	38.44	28.85	33.5	17.5
Payments by enterprises	9.56	22.16	25.6	35.2
Local government budget	2.23	1.23	2.7	1.9
Other sources (incl. foreign assistance)	2.32	2.24	3.8	2.2
Total	100%	100%	100%	100%

Colleges are defined by law as institutions which are entitled to carry out the first cycle (1-2 years on completion of secondary schooling) of the higher professional education. College training leads to a college diploma and a Level 4 vocational qualification.

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8. Bilateral and multilateral donors' contributions to vocational education and training

Most of the funding for vocational education and training development comes from international assistance projects. Such projects have supported the development of new vocational education and training curricula, including programmes that combine specialised vocational training with general education. International projects also support the training and retraining of teachers and school managers, and the introduction of modern teaching aids and equipment.

EU Phare projects currently under way in Latvia include reform programmes for vocational education and training, business education and higher vocational education. The Phare Vocational Education and Training 2000 programme has just started. Preparations for Latvia's participation in the European Union Leonardo da Vinci programme have been completed and Latvia's full participation in the programme started this year.

The Ministry of Education and Science has set up the Vocational Education and Training Development Agency to implement the above programmes and projects. Projects to support the development of the Professional Education Centre and entrepreneurship in agriculture have been carried out with the assistance of Germany.

The Phare Vocational Education and Training Reform programme

1. Duration: May 1995 to December 1998
2. Budget: 3 million Euros
3. Objectives

The objectives were to reform the structure and contents of vocational education and training, and to modernise and improve the quality of the education process.

4. Results

New secondary-level vocational education and training curricula for 10 areas of specialisation have been developed and are being implemented in 18 pilot schools. As part of the programme, new teaching aids have been developed, teachers and school managers have been trained and schools have been provided with technical equipment and textbooks.

Principles for vocational education and training reform and strategic reform have also been drawn up.

The Phare Business Education Reform programme

1. Duration: August 1996 to December 1998

2. Budget: 1 million Euros

3. The programme

Reform of business education in Latvia started with a Danish-Latvian assistance project. From Autumn 1994 to Spring 1997, 3-year business education programmes were developed for graduates of 9-year basic schools and a 1-year programme was developed for graduates of 12-year general secondary education. The 3-year programme was implemented in 15 schools and the 1-year post-secondary programme in 6 schools.

4. Objectives

The aim of the project is to help the government of Latvia reform and develop its business education system, including both secondary and higher business education, and adult continuing training.

5. Results

A draft plan for business education has been drawn up, 2-year college business programmes and adult continuing training programmes have been prepared, new teaching aids have been developed, teachers and school managers have been trained, technical equipment and textbooks have been given to schools and business education has been extended to additional schools.

The Phare Higher Vocational Education Reform programme

1. Duration: May 1997 to December 1999

2. Budget: 1.5 million Euros

3. Objectives

The objective of the programme is to encourage human resource and institutional development in the secondary, post-secondary and higher vocational education sectors, in accordance with the requirements of a democratic society and a market-oriented economy.

4. Tasks

The priorities of the programme are as follows:

- to continue the development of 4-year vocational education and training curricula, started under the vocational education and training reform programme;
- to complete the development of new teaching aids;
- to draw up a strategy for higher professional education;
- to design a methodology for a system of national standards for vocational education and training;
- to improve the functioning of the Professional Education Centre; and
- to draw up a plan for regional education and examination centres.

5. Results

Pilot schools are being supplied with the necessary technical equipment, new teaching aids have been developed, examination requirements and regulations have been drawn up, a draft concept for higher vocational education has been worked out, as has a Centre for Professional Education development plan and a plan for the creation of regional training and examination centres, and 2 pilot centres have been selected.

The Phare Vocational Education and Training 2000 programme

1. Duration: June 1998 to 2000
2. Budget: 1.5 million Euros
3. Objectives

The programme is based upon the restructuring of secondary and higher vocational education and training in recent years. Its aim is to develop further the national strategy, including the modernisation and reform of higher professional education, and to implement the strategy in secondary and post-secondary vocational education and training. The programme will continue to support the reform of vocational education and training within the system of education as a whole and to secure its long-term sustainability.

The following activities are being carried out as part of the programme.

a) Education policy development

This involves:

- analysing Latvia's education policy in cooperation with the Organisation for Economic Cooperation and Development;
- preparing the Organisation's review and discussing it with officials and institutions involved in education policy; and
- publishing and disseminating the final review.

b) Improvement of governance and management mechanisms for vocational education and training

This involves the following:

- establishing a Ministry of Education and Science reorganisation and audit working group;
- analysing the existing functions and procedures of the Ministry of Education and Science;
- developing a model for the reorganisation of the Ministry and planning its implementation;
- training Ministry staff to carry through reorganisation;
- upgrading the Ministry's seminar and conference premises, and facilities;
- establishing a working group for reform of vocational education and training finance;

- analysing the existing system for financing vocational education and training, and developing a model for its reform;
- drawing up the plan for implementing this reform; and
- training the managers of vocational education and training institutions in the new system for financing vocational education and training.

c) Development of an infrastructure for national qualifications

This involves:

- designing professional qualifications for the information technology and construction sectors;
- establishing experimental branch committees for the information technology and construction sectors;
- strengthening the Ministry of Education and Science's Vocational Education and Training Centre so that it can manage the process of qualification design and provide participating organisations with methodological support;
- training the staff of the Centre for the further organisation and management of the qualification structure; and
- training the staff of the Centre in occupational and educational standards development methodologies.

d) Development of first-level higher professional education (college) curricula

This entails:

- selecting pilot institutions for the development and implementation of first-level higher professional education (college) curricula;
- developing first-level higher professional education (college) curricula for 2 occupational profiles;
- training teaching staff in the pilot institutions in the methodology of curriculum development;
- developing and purchasing teaching aids and learning materials for the newly designed curricula; and
- purchasing training equipment for the participating pilot institutions.

By the end of project the following should have been achieved:

- the elaboration of a new model for the Ministry of Education and Science administration, with 40 employees trained in strategic planning, management and administration;
- the modernisation of office equipment in 6 or 7 departments of the Ministry of Education and Science;
- the establishment of 2 or 3 working models for standards committees;
- the analysis of labour market needs in 2 or 3 sectors;
- the elaboration of qualification standards for 2 or 3 sectors; and
- the completion of the design of 2 - 4 college-level curricula.

The Germany-Latvia Professional Education Centre Development project

1. Duration: 1996-1998

2. Objectives

The objective of the project was to improve the functioning of the Professional Education Centre and to raise the professional qualifications of its employees.

3. Tasks

These include the following:

- analysing the extent to which vocational curricula correspond to the needs of the labour market and drawing up new improved curricula;
- establishing a system to assess the results of the study;
- supplying examination centres with methodological aids;
- organising and producing teaching aids; and
- training teachers and employees of the Professional Education Centre.

4. Results

New curricula have been elaborated, new teaching aids have been developed and produced, requirements for professional qualifications have been established, examination centres have been supplied with the necessary methodological and material support, and teachers and employees of the Professional Education Centre have been trained.

The Germany-Latvia Entrepreneurship in Agriculture project

1. Duration: 1994-1999

2. Project funding: the German TRANSFORM programme (approx. LVL 25,000 in 1998)

3. Objectives

The aim of the project is to supply Latvia's agricultural sector with qualified specialists, who have acquired knowledge of modern agricultural technologies and who have received training in entrepreneurship. This expertise should allow them to manage agriculture-related enterprises.

4. Tasks

The project involves the following:

- drawing up and starting to implement the training programme;
- organising qualification courses;
- developing teaching aids and methodological support;
- purchasing technical equipment; and
- teacher training.

5. Results of the project

The curriculum is being implemented in the agricultural vocational schools at Laidze, Priekuļi and Smiltene and adapted to the 4-year education programme offered by agricultural schools in Smiltene, Saulaine and Vecbebri.

The Latvian Continuing Education and Training Development project

The Latvian Continuing Education and Training Development project is being implemented as part of a Tempus Phare institution-building project. The project is coordinated by the Continuing Education Development Foundation, which receives advisory support from the Ministry of Education and Science.

The current project is based on the results of two previous studies and projects:

- *Continuing Vocational Training in Latvia* (report produced for the European Training Foundation), 1999; and
- Tempus CME 3007-97 project on a flexible learning strategy for Latvian higher education, 1998-1999.

Latvia lacks easily accessible, short-cycle professional development courses offering training in general skills for public-sector professionals, particularly in the light of new social and economic conditions and Latvia's prospective accession to the European Union.

The aim of the project is to raise the level of professional skills of those working in the public, private and non-governmental sectors, thus improving their performance under the circumstances of fast changing social and economic factors, and alongside the strategies for accession to the European Union.

This will be implemented through the development, approval, delivery, evaluation and dissemination of 8 continuing education programmes (modules) based on the following subjects:

- economics;
- financial management;
- financial markets;
- management;
- marketing;
- the European Union;
- European languages; and
- information technologies.

The project lays particular emphasis on European Union pre-accession strategies and the various applications of information and communication technologies. The creation within the Continuing Education Development Foundation of continuing education and European Union integration resource centres for public administrators and public-sector workers is also of major importance. Information and communication technology applications will be highly important to the operation of the Centre.

The project consortium consists of public and non-governmental organisations, universities and private companies from Latvia, Sweden, the UK and Spain.

Teacher and trainer training project

This is a European Training Foundation project involving Latvia and Lithuania.

1. Duration: 1999-2000

2. The project

In Lithuania, the Centre for Vocational Education and Research of Vytautas Magnus University is carrying out the project. The Lithuanian Ministry of Education and Science is the main contractor and stakeholder and the Centre is the subcontractor for the implementation of the project. In Latvia, the subcontractor for the implementation of the project is the Educator Training Support Centre of the Ministry of Education and Science. The Ministry of Education and Science is the main contractor and stakeholder. Guidance and procedural assessment is carried out by an International Advisory Group. The project was initiated and financed by the European Training Foundation.

3. Objectives

The aim of the project is to enhance the innovative capacity of partner country vocational education and training systems in redesigning teacher and trainer training and thereby contribute to European Union accession by improving the quality of the labour force.

4. The main activities are:

- to stimulate the innovative capacity of pre-service teacher and trainer training;
- to introduce demand-led training provision for teachers close to, or within, schools;
- to support the development of professional management in schools and in teacher/trainer training institutions;
- to develop national teacher/trainer training networks and to connect them with existing European Union networks; and
- to support strategic planning at the national level in order to end the state monopoly in teacher/trainer training and to promote coherent policy on vocational education and training teacher/trainer training at national level, coordinated at regional, local and institutional levels.

5. Expected results

The project expects to achieve the following:

- new curricula for vocational education and training pilot schools and for continuing vocational training, in line with regional labour market needs;
- the identification of learning potential in schools and revised work organisation for in-service training organised by schools and companies;
- the design of a new proposal for a national strategy for initial and in-service training;
- the implementation of a new approach to learning; and
- the linking of partners countries' national networks with the corresponding European Centre for the Development of Vocational Training network approach.

This is a parallel-funded transnational project. The donors are the European Training Foundation and the Governments of Denmark and Finland. The framework and objectives are the same for both Latvia and Lithuania.

Participation in the Leonardo da Vinci programme

Latvia began participating fully in the Leonardo da Vinci programme as of 01 November 1998. As part of the first phase of the programme, Latvian institutions have participated in two Call for Proposals cycles (2 months in 1998 and the full 12 months in 1999). The results are illustrated in the following tables.

Table 8.1 Participation in the Leonardo da Vinci programme (centralised)

	Call type	Centralised Call for Proposals				
	Project category	Pilot projects	Mobility for higher vocational education	Surveys and analyses	Multiplier effect projects	Total
1998	Projects submitted	5	-	-	-	5
	Projects approved	3	-	-	-	3
	LV partners	7	1	-	2	10
	Funding (ECU)*	287,684	-	-	-	287,684
1999	Projects submitted	7	1	n/a	1	9
	Projects approved	3	1	n/a	1	5
	LV partners	8	11	n/a	9	28
	Funding (Euro)*	276,853	90,268	n/a	155,473	522,594

It should be noted that in 1998 Latvian institutions had access to a very short project cycle. This led to reduced activity within the Centralised Call for Proposals (Table 8.1), as neither Latvian institutions nor potential partner institutions were convinced that the projects submitted would be eligible. In 1999, in contrast, the number of projects submitted and approved almost doubled, while the number of Latvian institutions participating as partners in projects promoted by institutions of other countries increased almost threefold.

The lack of activity within the 'surveys and analyses projects' category in 1998 illustrates how few Latvian institutions deal with research in the vocational training sector. Surveys and analyses were not eligible for funding in the 1999 Centralised Call for Proposals.

Particular activity can be seen in the Decentralised Call for Proposals (Table 8.2). Leonardo da Vinci is the first programme in Latvia to promote mobility for the vocational training sector as a whole. During the first phase of the programme, 441 people have benefited from the opportunity to undergo a practical placement in an enterprise and/or to exchange experience with colleagues in other European countries.

It is also worth mentioning the increasing interest being shown by the vocational training community in the programme. The opportunity to gain experience and to improve practical skills abroad is considered as particularly valuable. This experience helps many beneficiaries of mobility projects to improve their professional skills and knowledge, and to learn about new methods and technologies that are not yet available in Latvian vocational education institutions.

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Table 8.2 Participation in the Leonardo da Vinci programme (decentralised)

	Call type	Decentralised Call for Proposals (all mobility)				
	Target public	Persons undergoing initial vocational training		Young workers and job-seekers	Trainers, curriculum developers, policy-makers	Total
		Short placements	Long placements			
1998	Projects submitted	21	2	5	40	68
	Projects approved	19	2	3	31	55
	Funding (ECU)*	180,000	20,000	119,500	80,500	400,000
	Beneficiaries	135	5	35	80	255
1999	Projects submitted	22	6	10	34	72
	Projects approved	18	4	8	26	56
	Funding (Euro)*	127,290	41,235	145,453	36,867	350,845
	Beneficiaries	106	13	47	48	214

** Amount allocated from the sum paid to the European Commission by Latvia to participate in the Leonardo da Vinci programme.*

At this point, it is difficult to evaluate the success of the pilot and multiplier effect projects promoted by Latvian institutions. The complications encountered by Directorate General XXII in the period following the allegations against Commissioner Cresson and the closure of the Technical Assistance Office caused delays in the process of drawing up contracts and making payments. This means that there have been difficulties in implementing the 1998 projects. Contracts are still being drawn up for the projects approved in the 1999 Call for Proposals.

The systematic efforts of the Leonardo da Vinci National Coordination Unit in informing, consulting and involving the public should be mentioned here. The Unit organises information seminars not only in Riga, but also across the country, thus broadening the range of institutions that can participate successfully in the programme.

Latvia will continue to participate in the second phase of the Leonardo da Vinci programme in 2000. Although the Decision of the Association Council making Latvia an official member of the second phase of the programme is yet to be adopted, the Commission is making every effort to assist Latvia in the technical preparations for participation.

A number of Latvia's vocational education and training institutions have started international cooperation through participation in Phare and Leonardo projects. Some institutions have found their cooperation partners themselves or through local authorities. For example, Cēsis vocational secondary school No 4 cooperates with the Chamber of Crafts of the Ferden region in Germany, Dobele Crafts school with Engelholm local government in Sweden, and Liepāja Maritime college with the Danish Department of Vocational Education.

Other examples of cooperation include the involvement of the College of Mechanics and Technologies at Olaine in several international cooperation projects and the cooperation of Riga vocational secondary school No 5 with a Heidelberg enterprise that builds machines for the printing industry. The above examples show that cooperation at school level extends beyond national programmes and projects.

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9 Constraints, challenges and further needs

Modern vocational training should provide people with knowledge and lifelong skills that match the needs of the labour market as well as their own individual abilities and interests. Vocational education and training should be made more accessible for both young people and adults and provide students with sound theoretical knowledge and practical skills in their chosen profession.

In the light of the changes that have taken place in the Latvian economy, much attention has been paid to vocational education and training programmes in recent years. The Professional Education Centre and similar institutions have elaborated new vocational education and training curricula under the aegis of other line ministries.

Training programmes should provide students with a sufficiently wide base of general knowledge and provide training for a group of related occupations rather than concentrate on narrow specialisation. If graduates of such programmes have a broad background of vocational knowledge and skills, they are able to acquire missing skills and knowledge through short additional training cycles.

A unified methodology is being used to assess which qualifications are required for each branch. In the past, the involvement of employers in vocational education and training was not regulated by law and was carried out mainly through personal contacts. The new Professional Education Law sets out the role of employers in vocational education and training, as well as their involvement in the tripartite Vocational Education Council.

Examination centres have been established for some professions, where students from all vocational education and training institutions take examinations.

The numbers of vocational education and training students have been increasing over the last 3 years, although there was a slight fall in student numbers last year. Vocational education has not traditionally been held in high regard and students with a low achievement in basic schooling have often opted for vocational training. Many graduates of basic school choose general secondary education: 56% opted for it in 1997 and 64% in 1998. However, statistical data show that a substantial number of those with general secondary education certificates do not continue their education (24% in both 1997 and 1998) and that the highest share of the unemployed among the economically active population are holders of general secondary education certificates who have no professional qualifications.

Every year, students drop out of vocational training for a variety of reasons. In 1998, 13.8% of students dropped out. Most dropouts are first-year students. They made up 49% of all dropouts in 1998. This may be the result of insufficient vocational counselling and a subsequent lack of interest on the part of students in the education chosen, as well as uninteresting education programmes. The vocational guidance and counselling system should therefore be reinforced and improved to ensure that both basic and general secondary school graduates make choices that match both their abilities and the needs of the labour market. This would reduce the number of dropouts from vocational education and training programmes.

Some pupils do not continue their education at the 8th or 9th year of schooling and, consequently, do not complete the compulsory 9 years of basic education. Two vocational schools have established special education systems whereby basic school dropouts can acquire professional skills and complete their basic schooling. For such education to function well, specially designed curricula and trained teachers are required.

Traditionally, specialists with a higher or secondary specialised education in the appropriate fields have worked as vocational education and training teachers. Of these teachers, 45% are close to retirement age, 11% have already reached retirement age and 23% will do so in 10 years' time. A Danish assistance project, in collaboration with the Danish vocational education and training teachers' institute, has begun work on developing a training programme for vocational education and training teachers (the DELATE project). The project involves the acquisition of knowledge, skills and attitudes corresponding to the specific features of Latvian vocational education.

In Latvia, instruction at vocational education and training schools is in both Latvian and Russian. At present, 72% of students are taught in Latvian and 28% in Russian. In order to foster the integration into society of the Russian-speaking students and to improve their competitiveness in the labour market, Russian-speaking student groups are taught in Latvian for some subjects. In addition, new teaching aids and terminological dictionaries are being prepared. According to the education framework law, all state-financed vocational education institutions will switch to Latvian as their language of instruction in 2004. The following factors are hindering this development at the moment:

- an insufficient level of knowledge of the Lativan language (below basic education standard) among basic school graduates from schools with Russian as their language of instruction;
- a lack of teaching aids in Latvian for special subjects; and
- an insufficient number of teachers who can teach special subjects in Latvian.

Present levels of financing for vocational education and training are sufficient for the current level of vocational education but do not provide for its further development. Financing of vocational education in Latvia is at present determined by the curriculum and the number of students and student groups. In the future, financing will be based on student numbers.

The number of participants in different continuing vocational training programmes is increasing. There is also evidence that employers are increasingly contributing to continuing training. Such funding has nearly doubled in comparison with 1995. State funding for training the unemployed is also increasing, as is the number of the unemployed who receive training. Continuing vocational training should be made available to all population groups, including the rural population, low-income groups and those without social protection. Employer contributions to vocational education and training should be promoted through tax exemptions.

The need to adapt vocational education and training to the requirements of the labour market has been stressed by local employers as well as strategic foreign investors. It is reflected in the high levels of unemployment among vocational education and training graduates, as well as the difficulties they face in finding jobs. There is, however, a lack of information and knowledge about current and future labour market needs in Latvia. Methodological studies and development forecasts for the various economic sectors and from local government and the social partners are necessary to monitor trends in the labour market. The mechanisms to gather such data do not currently exist in Latvia. The Latvian National Observatory is coordinating existing labour market studies but would require additional resources to carry out larger-scale studies.

The current tendency to develop separate initial vocational training and unemployment training systems can lead to problems. With lifelong learning gaining in importance, the need to promote retraining and skills upgrading among the workforce is becoming more urgent.

A clear national human resource development strategy does not yet exist, in spite of recent initiatives to elaborate one. The link between the quality of education, a qualified workforce and economic stability is not always recognised by society. As a result, funds and resources are not always allocated in the most cost-effective and rational manner by providers of education. There is a clear need for better coordination of initial vocational training and continuing training.

The new Latvian government, which started work on vocational education questions in July 1999, declared that it would concentrate on optimising the institutional network in accordance with the needs of the labour market.

The strategic programme for vocational education and training reform has defined the following objectives:

- reform of the vocational education and training network;
- reform of vocational education and training curricula;
- the improvement of management and administration in vocational education and training;
- the further development of vocational education and training teacher training; and
- the elaboration of a financing system for vocational education and training.

Glossary of terms

Economically active population (labour force):	the total of employed persons and job seekers
Employed population:	employed persons aged 15 years and over, who during the reference week had worked for at least one hour, including paid and unpaid community and social work, and women caring for a child until age of 3 months. Students of working age who study and do not do any work for pay are excluded from the employed population numbers.
Employees:	persons who do some work (inclusive of work in a family farm/enterprise) for pay or profit (in cash or in kind) or family gain, including students who work for pay.
Employers:	self-employed workers with one or more employees.
Gross domestic product (GDP):	is one of the key indicators in the national accounts system. The calculation of gross domestic product is based on production, demand and income data.
Income:	gross income (inclusive of taxes) from operating an enterprise/farm; sales of home-produced food products, art and craft articles.
Job seekers:	persons aged 15 years and over, whether or not registered at the State Employment Board (SEB), who meet the following three conditions simultaneously: 1) during the reference week neither worked nor were temporarily absent from work, 2) had actively sought employment during the past 4 weeks, 3) were immediately available to start work within 2 weeks
Major occupational groups:	10 major groups according to the Latvian Classification of Occupations which has been derived from the International Standard Classification of Occupations (ISCO – 1988, ILO).
Natural increase:	the difference between the number of live births and the number of deaths during a certain period. It can have a positive sign if births exceed deaths or a negative sign if the opposite is true.
Natural increase rate:	the difference between the crude birth rate and crude death rate.
Resident population:	refers to all inhabitants whose legal place of residence is the corresponding administrative territory.
Share of job seekers:	share of job seekers in the economically active population.

Major organisations

1. **Ministry of Education and Science**, 2 Valnu Street, LV-1050, Telephone: 7222415, Fax: 7213992
   Department of Vocational Education Development, Telephone: 7229627
   Department of Higher Education and Science, Telephone: 7225260
   Department of Education Strategy, Telephone: 7228733
2. **Ministry of Education and Science**, Centre of Professional Education, Lomonosova Street 1-52, LV-1019, Fax: 7241487, Telephone: 7333721
3. **Ministry of Economy**, 55 Brivibas Street, LV-1519, Fax: 7013208, Telephone: 7013101
4. **Ministry of Environmental Protection and Regional Development**, 25 Peldu Street, Fax: 7820442, Telephone: 7026400
5. **Ministry of Agriculture**, 2 Republikas laukums, LV-1981, Fax: 7027512, Telephone: 7027004
6. **Ministry of Culture**, 11a Valdemara Street, LV-1364, Fax: 7227916, Telephone: 7224772
7. **Ministry of Finance**, 1 Smilsu Street, LV-1919, Fax: 7095410, Telephone: 7226672
8. **Ministry of Welfare**, 28 Skolas Street, LV- 1331, Fax: 276445, Telephone: 7021600
9. **Ministry of Welfare**, Latvian State Employment Service, 38 K.Valdemara Street, LV-1131, Fax: 22270253, Telephone: 7021706
10. **Ministry of Welfare**, Professional Education Centre for Health Care Workers, 23 Kapselu Street, LV-1046, Fax: 7602467, Telephone: 7612102
11. **Adult Education Association for National Economy**, 10 O. Kalpaka blvd., LV-1050, Fax: 7212680, Telephone: 7325189
12. **Career Counselling Centre**, 11 Jezusbaznicas Street, LV-1050, Fax: 7210323, Telephone: 7224534
13. **Educator Training Support Centre**, 72 Brivibas Street, LV-1011, Fax: 7312082, Telephone: 7312081
14. **Latvian Adult Education Association**, 11 Merkela Street, LV-1015, Fax: 7222411, Telephone: 7222411
15. **Latvian Employer's Confederation**, 21 Meistaru Street, LV-1050, Fax: 7224469, Telephone: 7225162
16. **Latvian Chamber of Craftsmanship**, 5 Amatu Street, LV-1050, Fax: 7213927, Telephone: 7213007
17. **Latvian Chamber of Commerce and Industry**, 21 Brivibas blvd., LV-1849, Fax: 7820092, Telephone: 7225595
18. **Latvian Free Trade Union Federation**, 29/31 Bruninieku Street, LV-1001, Fax: 2276649, Telephone: 2270351
19. **Latvian National Observatory**, 2 Valnu Street, LV-1098, Fax: 7221006, Telephone: 7225155

20. **National Youth Initiative Centre**, 4 Strugu Street, LV-1003, Fax: 7228987, Telephone: 7229087
21. **Vocational Education Programme Development Agency**, 2 Valnu Street, LV-1098, Fax: 7224328, Telephone: 7221505
22. **Union of Local and Regional Government**, 1 Maza pils Street, LV-1050, Fax: 7212241, Telephone: 7226536
23. **Continuing Education Development Foundation** (CEDeF) 2 Valnu str Riga LV 1050 Latvia Fax/Telephone: 7220458

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System of education

National standard classification of education				ISCED-97	
Code 1. elem	Levels of education	Code 2. elem	Education	Levels of education	Code
1	2	3	4	5	6
0	Pre-primary education	0	Pre-primary education for children about to start primary education programme (without attending pre-primary education establishments).	Pre-primary education	0
		1	Pre-primary education carried out in education establishments until the beginning of compulsory education.		
1	1st stage of basic education	1	Education ensured by 1-4 forms of the general education programme.	Primary education or 1st stage of basic education	1
		2	Education ensured by 5-6 forms of the general education programme.		
2	2nd stage of basic education	1	Education ensured by 7-9 forms of the general education programme.	Lower secondary education or 2nd stage of basic education	2A 2B
		2	Basic professional education ensures the acquisition of the 1st level of professional qualification Duration of studies less than 2 years. Entrance requirement – 15 years of age.		2C

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Secondary education

Code 1. elem	Levels of education	Code 2. elem	Education	Levels of education	Code
1	2	3	4	5	6
		1	**General secondary education** ensured by 10-12 forms of the general education programme. Duration of studies 3 years.		3A
		2	**Vocational education** ensures the acquisition of the 2nd level of professional qualification but does not entitle the student to further studies at a higher level (code 4 1. elem) of education. Duration of studies 2-3 years. Entrance requirement – 15years of age.	Upper secondary education	3C
3	Secondary education	3	**Professional secondary education** ensures the acquisition of the 3rd level of professional qualification and entitles the student to further studies at a higher level (code 4 1. elem) of education. Duration of studies 3-4 years. Entrance requirement – basic (general or vocational) education.		3A
		5	**Professional education** ensures the acquisition of the 2nd - 3rd levels of professional qualification. Duration of studies less than 3 years. Duration of vocational education programmes 1-2 years, professional secondary education programmes 2-3 years. Entrance requirement – general secondary education.	Post secondary (non tertiary) education	4B
		6	**General secondary education** ensured by 1 year general education programme. Entrance requirement – 3 year vocational education.		4A
		7	**Professional secondary education** ensures the acquisition of the 3rd level of professional qualification. Duration of studies 2-3 years. Entrance requirement – vocational education.		

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Higher education

Code 1. elem	Levels of education	Code 2. elem	Education	Levels of education	Code
1	2	3	4	5	6
		2	**Professional higher education** ensures the acquisition of the 4th level of professional qualification. Duration of studies 2-3 years. Entrance requirement – general or professional secondary education.		5B
		3	**Academic education** (bachelor degree) Duration of studies 3 years.		
4	Higher education	4	1. **Professional higher education** ensures the acquisition of the 5th level of professional qualification. Duration of studies not less than 4 years. Entrance requirement – general or professional secondary education. 2. **Academic education** (bachelor degree) Duration of studies 4 years.	First stage of tertiary education	5A
		5	**Higher education** Duration of studies more than 4 years.		
		6	**Master studies** (master degree) Average duration of studies - 2 years.		
		7	**Professional higher education** Duration of studies 1 - 3 years. Entrance requirement – graduation of 42, 43, 44	Second stage of tertiary education	6
5	Doctor's studies	1	**Doctorat studies** (doctor's degree)		

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List of in-depth studies by the National Observatory in 1995-1998

1. Vocational Education in Latvia. Recent Changes, Challenges and Reform Needs (in Latvian, in English). AIC-LNO, Riga, 1997. 37 p.
2. Report on Tertiary/post-secondary vocational education and training in Latvia (in Latvian). AIC-LNO, Riga, 1997. 21 p.
3. Vocational Education in Latvia (in Latvian). AIC-LNO, Riga, 1998. 51 p.
4. Report on Tertiary/post-secondary vocational education and training in Latvia (in Latvian). AIC-LNO, Riga, 1998. 20 p.
5. The Role of the Social Partners in the Development of Vocational Education in Latvia (in Latvian, in English). AIC-LNO, Riga, 1998. 23/25 p.
6. Who Seeks a Job in Latvia? Elements of Analysis of the Unemployment Situation in Latvia. (in Latvian, in English). AIC-LNO, Riga, 1998. 19 p.
7. Analysis of the response of the vocational education and training system to the new economic conditions in Latvia (in Latvian, in English). AIC-LNO, Riga, 1998. 34/40 p.
8. Regulated Professions in Latvia. Covered by the Directive 92/51/EEC (in Latvian, in English). AIC-LNO, Riga, 1998. 28/23 p.
9. Vocational Education in Latvia. National Report to the European Training Foundation. AIC-LNO, Riga, 1999. 48 p.
10. Continuing Vocational Training in Latvia. AIC-LNO, Riga, 1999. 26 p.
11. Teacher/Trainer Training in Vocational Education in Latvia. AIC-LNO, Riga, 1999. 24 p.
12. Tertiary Vocational Education. European Training Foundation Latvian National Observatory Workshop ("Neuniversitātes" tipa augstākā profesionālā izglītība. Starptautiskā semināra "Tertiary professional education" noslēguma dokuments). Riga 20-21 May, 1999 (in Latvian, in English). AIC-LNO, Riga, 1999. 12/31 p.
13. Human Resources and Professional Education in the Regions of Latvia. Analysis. II (in Latvian, in English). AIC-LNO, Riga, 1999. 44 p.

New enrollees in vocational education and training by previous place of residence (town or district) in 1998/1999

	Liepāja	Liepājas district	Saldus district	Kuldīgas district	Ventspils	Ventspils district	Dobeles district	Talsu district	Tukuma district	Jelgava	Jelgavas district	Bauskas district	Rīga	Rīgas district	Jūrmala	Ogres district	Cēsu district	Gulbenes district	Limba u district	Valkas district	Valmieras district	Aizkraukles district	Madonas district	Jēkabpils district	Alūksnes district	Balvu district	Ludzas district	Preiļu district	Krāslavas district	Rēzekne	Rēzeknes district	Daugavpils district	Daugavpils	Citi
Liepāja	671	334	27	24	65	21	4	6	6	5	1	4	75	4	5		2	1		1	1			1	2	1	1	2		1			1	4
Liepājas district	16	109	18	36	1	5	2	3	7			2	1	2		2			1					1										
Saldus district		6	78	17		1	18	6	18		1	1	2			1																		0
Kuldīgas district	2	29	32	141	6	9	3	20	30			1	1								6			1										
Ventspils		1	4	8	151	44	1	24	7	1	2		2																					1
Ventspils district																																		
Dobeles district		1	9	1		2	162	3	41	1	14	6		4	2		1				1			1	1			1						
Talsu district		1	3	6		11		60	20			1	3		1	2						1												0
Tukuma district		4	18	17	2	7	4	54	56	2	5	3		1	5					1		1								1				0
Jelgava		1	12	4	3	2	45	5	13	396	113	24	9	15		3	4	2	2	3	5	1	3	2	1	1		1		1		2		
Jelgavas district			3				20		8	15	51	14		2																				
Bauskas district			1				3				16	125		6		3						4		2										
Rīga	48	27	60	51	20	25	105	113	162	170	101	234	4175	858	288	295	139	73	141	90	145	125	107	142	54	56	26	63	23	62	35	19	57	5
Rīgas district			7				5	1	1	28	19	15	89	94	3	22	24	1	6	1	4	3	10	4	5				1	1	9			
Jūrmala	3	5	13	6	3	1	10	9	17	6	8	11	26	19	11	7	10	5	4	5	2	4	7	6	5	4		4	1	1		3	2	0
Ogres district		5	5	4		1	2	8	16	1	7	10	26	34	1	230	10	17	5	14	8	33	26	28	4	6	4	10	6		6	5	1	
Cēsu district				1			3				1	2	8	21		2	215	7	32	46	60	5	21	1	17	3		2			1			
Gulbenes district													1			1	17	73		19	1	5	47		25	11		1						
Limba u district			4						1		1	2	3	14	1	1	20	1	138	12	76	1	1		1	2								
Valkas district	1		2								2	2	7	6		1	34	17	11	123	31	1	3	2	21	6		2						
Valmieras district				1								3	3	3			39	3	38	28	148		2		5	4							1	
Aizkraukles district			2			1	3	2			3	8	5	6		20	6	5	1	1		164	48	44	3	2	7	15	3	1	9	9	1	
Madonas district											2		4	2		7	16	8	1	2	2	13	83	9	2	6	7	5		5	4			
Jēkabpils district	1			1						2		2	23	1		6	1	6		3		54	19	268	2	1	1	35	1	1	1	11	3	
Alūksnes district														2			2	11		7	1			1	51	6					2			
Balvu district																																		
Ludzas district					1	1			1				2				1	4		2		2	4	8	6	21	126	2	3	14	20	3		
Preiļu district											1		1								1	2	4	4			8	89	19	5	22	16	7		
Krāslavas district																											21	6	96	5	10	9	6		
Rēzekne													1					4		1	3	4	5	9	3	16	27	13	6	161	105	4			
Rēzeknes district			2								1	1	4				2	2		1		2	11	14	1	3	12	33	13	41	106	4	4		
Daugavpils district									1				1			2		1				2	1	33			2	22	13	1	2	64	37	0	
Daugavpils	2	1								2	3		12				1	1		1			2	28		3	6	39	49	39	15	154	1069	5	
	744	524	300	318	252	131	390	314	405	629	352	471	4481	1094	317	605	544	242	380	641	495	427	404	609	209	152	248	345	234	339	348	303	1189	15

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National Observatory of Latvia

Enrolment in education/training of 14-19 year-olds (at the beginning of school year 1998/1999)

Years	General education			Basic vocational			Sec. vocational education and training with matura exam.			Sec. vocational education and training with qualification			Post/sec. vocational Technical		
	Males	Female	Total	Males	Female	Total	Males	Female	Total	Males	Female	Total	Males	Female	Total
14 year-olds	18,334	17,974	36,308	94	49	143	0	0	0	0	0	0	0	0	0
15 year-olds	14,445	15,510	29,955	997	302	1299	1,179	1,129	2,308	1,476	943	2,419	0	0	0
16 year-olds	9,458	11,926	21,384				2,593	2,113	4,706	3,676	1,714	5,390	0	0	0
17 year-olds	7,644	10,408	18,052				2,819	2,277	5,096	3,124	1,568	4,692	83	100	183
18 year-olds	3,057	3,835	6,892				2,262	2,028	4,290	1,605	668	2,273	244	555	799
19 year-olds	1,065	998	2,063				1,075	1,063	2,138	212	101	313	368	891	1259
Total 14-19 year-olds	54,003	60,651	114,654	1,091	351	1,442	9,928	8,610	18,538	10,093	4,994	15,087	695	1,546	2,241

National Observatory of Latvia

Number of graduates, dropouts and enrolment at the upper secondary level (ISCED 3) in 1998

	General education			Sec. vocational education and training with matura exam.			Sec. vocational education and training with qualification			Total sec. vocational education and training		
	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total
Number of graduates in a given year	6,198	9,514	15,712	1,389	1,515	2,904	4,008	3,163	7,171	5,397	4,678	10,075
Graduates in a given year (%)	36.04	57.21	46.45	8.41	9.45	8.92	23.31	19.02	21.20	31.72	28.47	30.12
Number of dropouts from for a given year	1,062	705	1,767	1,458	1,292	2,750	2,347	1,301	3,648	3,805	2,593	6,398
Dropout rates in a given year (%)	4.42	2.03	3.01	14.50	13.00	13.80	15.00	12.30	13.20	14.80	12.60	13.80
Enrolment in education/ training	24,006	34,668	58,674	10,091	8,852	18,943	11,606	8,084	19,690	21,697	16,936	38,633

National Observatory of Latvia